



European Institute of  
Innovation & Technology

# EIT Triennial Work Programme (TWP) 2016-2018

## The EIT – Making Innovation Happen

European Institute of Innovation and Technology (EIT)

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# 1. Introduction

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 that makes it easier for great ideas to be turned into products and services that will bring our economy growth and jobs. The financial instrument implementing the 'Innovation Union' is Horizon 2020. By coupling research and innovation, Horizon 2020 is helping to achieve this with its emphasis on excellent science, industrial leadership and tackling societal challenges. There is close alignment between the EIT's and the European Commission President Jean-Claude Juncker's priorities, namely strengthening Europe's growth, competitiveness and stimulating 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. It was set up by Regulation (EC) 294/2008 with the objective of contributing to sustainable economic growth and competitiveness by reinforcing the innovation and entrepreneurial capacity of the EU and its Member States. 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 ecosystems 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.

The EIT considers a top priority the promotion of strong bonds through synergies and complementarities with EU, national, regional and international initiatives. Specifically, the EIT and its KICs will strive to participate in the recently agreed European Fund for Strategic Investments (EFSI), a major initiative launched by President Juncker. The EIT will continuously seek consistency with, and contributing to, the EU priorities, as reflected in EU strategies and initiatives, such as those in the context of the European Research Area, the European Higher Education Area as well as the Innovation Union, and those related to the thematic areas of KICs.

To further enhance impact and to incentivise innovation in new areas of societal challenges, the EIT will, according to the EIT's Strategic Innovation Agenda (SIA), 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 (subject to the positive outcome of the EIT review in 2017), leading up to a total portfolio of eight KICs. While respecting the autonomous character of KICs and giving them the necessary leeway to develop their working agendas, the EIT will actively support KICs' bottom-up synergies and complementarities with other EU initiatives. In this regard, the EIT will continue to organise regular exchanges with EU institutions, namely Annual Meetings with the European Commission services, with a view to establish strong synergies and complementarities with EU initiatives.

During 2016 to 2018, an important expansion and consolidation period for the EIT and its KICs, lessons learnt from previous years will be taken into account to improve the preparation and implementation of the annual KIC business plans through improved programming and monitoring that will be jointly developed by the EIT and KICs. The evaluation of the EIT's activities in 2016<sup>1</sup> and the review of the EIT in 2017<sup>2</sup> to be

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<sup>1</sup> Cf. Article 16 of Regulation (EC) No 294/2008, as amended by Regulation (EU) No 1292/2013

<sup>2</sup> Cf. Article 32 (2) of Regulation (EC) No 1291/2013

conducted by the European Commission are expected to help identifying further recommendations to improve the EIT's efficiency, effectiveness and sustainable impact. In this context, the EIT will increasingly move towards a results-oriented and impact driven monitoring system in line with the SIA. This will include EIT guidance to KICs on the implementation of their financial sustainability strategies and the implementation of the EIT Regional Innovation Scheme as part of its outreach programme. The EIT's activities in the period 2016-2018 are expected to significantly enhance the EIT's impact throughout the Union and beyond.

Throughout the period 2016-2018, an important task for the EIT will be the preparation of its next Strategic Innovation Agenda containing the long-term strategic objectives, priorities and budget needs for the programming period 2021-2027. The EIT will submit the draft SIA to the European Commission at the latest by 30 June 2018.

The EIT activities to date are starting to show concrete results and impact. For example, over 300 students graduated from EIT labelled education programmes offered by KIC partner universities; 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, in the 2016-2018 period, the EIT, in cooperation with its KICs and the European Commission, will consolidate the growth and impact of the first three KICs (Climate-KIC, EIT Digital and KIC InnoEnergy) and the KICs designated in 2014 on Raw Materials and Healthy Living and Active Ageing, through increased focus on efficiency, effectiveness and results achieved. Moreover, the EIT will facilitate the successful start-up of two new KICs in the areas of Added-Value Manufacturing and Food4Future and launch the Call for a KIC in 2018 on Urban Mobility (subject to the positive outcome of the EIT review in 2017). In addition, the EIT will develop and implement monitoring and simplification strategies and plans and create a culture of evaluation to take corrective actions based on findings and recommendations. The EIT will continue to develop and implement the concepts of financial sustainability and the EIT Regional Innovation Scheme (EIT RIS) in order to lay the foundation to further increase the impact and outreach of KICs. The EIT will further strengthen its capacity as an Institute for Europe reaching out to and engaging with external stakeholders in a continuously targeted and focused manner on issues related to Knowledge Triangle integration and KIC operations, thus continuing to increase the EIT's global visibility. The estimated financial needs of the EIT in 2016-2018 are approximately EUR 1.17 billion.

## 2. Incentivising Growth, Impact and Sustainability through the EIT

### 2.1. Consolidating, Fostering Growth and Impact of the Existing KICs

During the period 2016 to 2018 the first three EIT Knowledge and Innovation Communities (KICs), Climate-KIC, EIT Digital and KIC InnoEnergy, set up in 2010 will run at full speed having reached the stage of maturity. They will implement a comprehensive portfolio of activities integrating the Knowledge Triangle and leading to breakthrough innovations across it. This is expected to deliver real economic and societal impact fostering competitiveness and growth across the European Union and beyond. The KICs operate in a dynamic environment of creativity and flexibility, which allows them to re-adjust their portfolio of activities to seize new market and societal opportunities in order to achieve the best possible results. The KICs will also implement strategies with concrete measures to ensure their long-term financial sustainability and comprehensive outreach to regions not yet involved in their activities. The EIT will monitor the results

achieved to set the right incentives for KICs and, as appropriate, will take on board lessons learnt at individual KIC level and across KICs.

In this period, the two new KICs in the areas of Healthy Living and Active Ageing (EIT Health) and Raw Materials (EIT Raw Materials) launched in 2015 will progressively consolidate their strategies and their portfolio of activities, creating the eco-systems that will deliver the first tangible results fostered by the integration of higher education, innovative research and business. By the end of the period, five KICs will be fully operational, albeit at different maturity stages, allowing the EIT and its KICs to increasingly develop appropriate co-ordination, synergies and complementarities within Horizon 2020 with other EU programmes, initiatives and beyond.

### 2.1.1 Promoting Collaboration and Competition among KICs

From 2016 to 2018, the EIT will continue to pro-actively encourage collaboration among KICs while creating through its investment approach a competitive environment which will bring benefits to European citizens, maximising the impact of education, entrepreneurship and innovation activities. The EIT will continue to allocate the annual EIT financial contributions to KICs based on a split into support and competitive funding to ensure both continuity for multiannual activities and reward successes and results. The EIT while taking into account the different levels of maturity and specific needs of the KICs will facilitate the exchange of experiences and good practices between KICs and foster open competition among them for EIT funding as an important element to stimulate continuous improvement, greater efficiencies and stronger impact. Smart funding strategies will be operationalised taking into account KICs' different stages of maturity.

For the first three KICs designated in 2010, reaching cruising speed on their expansion curve, the current approach (based on a so-called three pillar review considering past performance, future outlook, and multi-annual perspective) will gradually shift into an impact model that will increasingly reward measurable results and steps towards KICs' financial sustainability. During 2016 to 2018, competitive funding will continue to be an important element on how the EIT allocates its financial contribution to the first three KICs and will deploy an interactive tool, which will encourage the KICs to become more pro-active in developing a results-based system. The EIT will adapt its competitive review mechanisms as a major component of its financial allocation to KICs while taking into account that the first three KICs and the two new KICs will grow at different speeds. Particular attention will be paid to the different levels of development between the two waves of KICs, the more mature ones and those that will be set-up in 2015 and 2017, defining an adequate tool which will ensure both fair competition and equal treatment amongst KICs.

Based on experiences gained and the 2015 review, the EIT will carefully review existing Key Performance Indicators (KPIs), their usefulness as well as the EIT's and KIC's ability to met the targets set and further develop a more fit-for-purpose scoreboard of KPIs which will progressively improve the analysis of KICs' performance in terms of results and also allow the EIT to monitor its own performance. The improved KPIs will be used to measure KICs' contribution towards impact, especially on the effects on competitiveness and growth. The EIT Scoreboard will enhance the EIT's visibility by ensuring that the KICs, as large-scale systemic innovation initiatives, successfully support the strengthening of the European innovation landscape as part of Horizon 2020 and in support of the Innovation Union. Additionally, the EIT will continue to encourage further collaboration and to support continuous exchanges of knowledge among all KICs through the implementation of cross-KIC activities in all areas of the Knowledge Triangle, i.e. education, entrepreneurship and research leading to innovation. The EIT will strive to broaden its current cross-KIC agenda. KICs will be incentivised to develop joint activities on cross-cutting issues, share good and novel practices, contributing, over the long-term, to the establishment of European education, entrepreneurship and research global leadership. For example, in the field of education, the EIT will set incentives to modernise education and skill development using modern technologies and tools going beyond its current flagship initiative the 'EIT labelled degrees and diplomas'. The EIT sees its role as contributor to a more efficient use of technological developments in education, business and research facilitating Knowledge

Triangle integration for the benefit of European citizens. To achieve its ambitions, the EIT will foster cross-fertilisation between the first three and new KICs allowing them to profit from lessons learnt and deliver results in a shorter timeframe. The working modalities between the EIT and its KICs will be adjusted to accommodate the need for improved co-ordination with a larger number of KICs, to advance the simplification agenda by focusing on results and to increase both the efficiency and effectiveness of decision-making at all levels.

## 2.1.2 Education

The EIT education agenda will expand its range of activities from 2016 to 2018 providing education which will satisfy the needs of employers regarding skill sets and competences and reaching an increasing range of the target group of students, using modern technologies to enhance the integration of the Knowledge Triangle. Initiatives may include executive education, post-doctoral courses adapted to bridge the gap between academia and business, lifelong learning courses adapted to the needs of the evolving businesses and new research trends, as well as Massive Open Online Courses (MOOCs) and Programmes (MOOPs). Furthermore, in the period 2016-2018, the KICs launched in 2010 will start collaborating with the two new KICs launched in 2015, bringing innovative proposals and solutions to serve their respective thematic areas. The consolidation of a number of cross-KIC initiatives supported by the EIT, such as the EIT label, MOOCs and MOOPs will take place during this period. KICs launched in 2015 and 2017 will be progressively involved in these activities.

The period 2016-2017 will also be crucial for the proof-of-concept of the new methodological approach presented by KICs for MOOCs and MOOPs, combining lessons learnt from the different KICs and serving as an important tool for consolidating and strengthening the EIT and its impact. In 2014 the technological platform was designed, in 2015 the first pilot courses were produced and in the period 2016-2018 new courses will be offered and trainers will have the chance to engage and work together with other KICs' trainers and trainees. A repository of open courseware from the EIT's and KIC's educational and training activities will be developed. The EIT facilitates the networking of the different communities within the KICs, an experience that proved valuable to exchanging ideas and fostering new cross-KIC co-operations. During the period 2016-2018, the EIT will continue with this facilitator role while actively supporting concrete initiatives that could present a high impact potential. An example of this is the initiative to create a certification for professional qualifications: developed during 2015, the original idea that started in one KIC will be extended to other KICs. The aim is to provide recognition to trainees on the skills and competences that they acquire through KIC education programmes. This initiative has raised the attention of important stakeholders in Europe and this certification will be developed in alignment with the Council Conclusions of 12 December 2014<sup>3</sup>. From 2016 onwards will be the period for its proof-of-concept.

It is expected that the EIT's flagship project, the EIT labelled degrees and diplomas for Masters and Doctoral programmes, revised in 2014/2015 will result in an increasingly robust quality assurance and learning model, which will strengthen the EIT label brand identity, which will in turn attract more talent from Europe and abroad to EIT labelled courses. In 2016-2018, the EIT and its KICs will continue to look into opportunities to expand the EIT label approach promoting innovative and entrepreneurial mind-sets into other levels of education beyond post-graduate education to a greater variety of study modes, such as professional development activities, executive and online education. Synergies and complementarities will be sought with other EU initiatives (e.g. Erasmus+ programme – Key Action 1 Erasmus Mundus Joint Master Degrees, Marie Skłodowska-Curie Actions, etc.) following an in-depth assessment.

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<sup>3</sup> 2015/C 17/02 Council conclusions on entrepreneurship in education and training. Education, Youth, Culture and Sport Council meeting of 12 December 2014 (OJ C17, 20.1.2015, p.2)

### 2.1.3 Entrepreneurship

From 2016 to 2018, the EIT will step up pro-active consultation and co-operation with all KICs to create and add value for three important target groups on entrepreneurship activities: start-up ventures, small and medium-sized enterprises (SMEs) and entrepreneurs emerging from KICs. For transparency purposes, the EIT will continue to encourage KICs to clearly communicate their policies for involving new partners, including in particular also SMEs. EIT will also encourage KICs to involve private sector actors beyond their SME partners, through targeted industry specific events, building on the past years' experience of existing KICs. The EIT will unearth, analyse, and exchange lessons learnt from KIC activities in entrepreneurship and business creation, especially from the first three KICs and will disseminate those to the newly set-up KICs. The EIT will also disseminate novel practices to its stakeholders and conduct outreach activities through targeted events, workshops and seminars in locations and geographies where KIC start-ups, SMEs and partners can potentially benefit. The aim of these activities will be to multiply positive results and innovations achieved in KICs through Knowledge Triangle integration and to extract successful models that can be transferred beyond the current KICs.

To fully exploit synergies and complementarities, the EIT will engage with all relevant stakeholders, including EU and global-level funding institutions (e.g. European Investment Fund, European Investment Bank, European Bank for Reconstruction and Development and the International Finance Corporation among others) as well as networks and multiplier organisations from the business angel, private equity and venture capital communities across Europe, with a view to facilitating and acting as a door opener for the KICs and its community members. In particular, synergies and complementarities will be sought with other EU initiatives in the areas of new business creation and entrepreneurship, such as inter alia Erasmus for Young Entrepreneurs, European Commission tools targeting SMEs and supporting the implementation of the Digital Agenda by maintaining productive stakeholder relationships through regular meetings, joint events and publications. All lessons learnt and good practices from these activities will be shared with new KICs so that they can be implemented in a timely and efficient manner. These business creation and entrepreneurship related activities will be strongly linked to the KICs' strategies on financial sustainability.

### 2.1.4 Innovation-driven Research

The EIT will develop a cross-KIC innovative research agenda aiming to foster a stronger focus on projects that can bring the best ideas from the labs to the market, creating new products, services and processes and expanding technological frontiers. To achieve this goal, the EIT will identify and codify good practices on innovation delivery mechanisms and market take-up derived from the Knowledge Triangle integration implemented by KICs. The newly selected KICs in 2016 and 2018, subsequent to their setting-up phase, will build on lessons learnt from the first five KICs and will start to contribute to the cross-KIC learning in this area and also create strong synergies and complementarities with other Horizon 2020 initiatives. Synergies and complementarities will be sought with other Union and international research and innovation initiatives, including Horizon 2020, , such as, Joint Programming, Joint Industrial initiatives, European Research Centre, as well as the European Innovation Partnerships and the European Commission's Joint Research Centre (JRC). While building upon the established collaboration of the first three KICs with the JRC, the EIT will seek opportunities to enhance the engagement with the JRC seeking support to stimulating innovation and to developing new methods and tools supporting successful investment in knowledge and innovation.

## 2.1.5 Fostering Growth and Creating Impact

From 2016 to 2018, the EIT, building on the activities undertaken in previous years, will pay special attention to measures that will boost the impact of its investments through KICs on education, research, entrepreneurship and new means of innovation governance. The EIT will continue to act as a catalyst, via its KICs, by accelerating the take-up and exploitation of technologies and research outcomes. This will help to align and leverage bottom-up research investments by KICs themselves and make, for example, education and training activities more responsive to business needs. To measure achievement of its specific objectives, notably on impact, the EIT will continue to regularly track the fulfilment of a set of indicators included in the amended EIT Regulation and its contribution to Horizon 2020 objectives. Built on the experience of existing KICs, the EIT will ensure that knowledge and good practices will be shared among and beyond KICs, promoting a fruitful process of mutual learning and faster uptake of new innovation practices. This will be done, for example, via knowledge sharing, dissemination, outreach and international exposure, as well as the EIT Regional Innovation Scheme (EIT RIS – cf. below) established as part of the EIT's and KICs' outreach strategy aiming at increasing the innovation capacity of regions not yet directly involved in EIT-KIC activities. The table below summarises what the EIT aims to achieve in this area from 2016 to 2018.

Action lines	Targets	Implementation year		
		2016	2017	2018
<b>Promoting Collaboration and Competition among KICs</b>	✓ Annual EIT financial contribution to KICs	X	X	X
	✓ Smart funding strategies agreed and operationalised	X	X	X
	✓ Timely adaptation of EIT competitive review mechanisms	X	X	X
	✓ Gradually introduce a shift towards an impact model that rewards results and steps towards KICs' financial sustainability	X	X	X
	✓ Improved EIT Scoreboard and KPIs	X	X	X
	✓ Incentivise collaboration and support continuous exchanges of knowledge among all KICs through the implementation of cross-KIC Knowledge Triangle integration activities	X	X	X
	✓ Incentivise KICs to develop joint activities on cross-cutting issues, share good and novel practices	X	X	X
<b>Education</b>	✓ Expand EIT portfolio of education activities (including MOOCs and MOOPs)	X	X	X
	✓ Consolidated EIT Label as a quality label on Masters and Doctoral Programmes	X	X	X
	✓ Expand the EIT label approach into other levels of education	X	X	X
<b>Entrepreneurship</b>	✓ Step up pro-active consultation and co-operation with all KICs to create and add value for KICs' entrepreneurship activities	X	X	X
	✓ Fully exploit synergies by engaging with relevant stakeholders, including EU and global-level funding institutions	X	X	X



Innovation-driven Research	✓ Develop a cross-KIC innovative research agenda	X	X	X
	✓ Identify and codify good practices on innovation delivery mechanisms and market take-up derived from the Knowledge Triangle integration	X	X	X
Fostering Growth and Creating Impact	✓ Accelerating the take-up and exploitation of technologies and research outcomes	X	X	X
	✓ Synergies with Horizon 2020 and other EU instruments actively fostered by EIT	X	X	X
	✓ Track the fulfilment of a set of impact indicators	X	X	X
	✓ Targeted knowledge sharing and put in place dissemination measures	X	X	X

## 2.2. Creating new KICs

To further enhance the EIT's impact and to incentivise innovation in new areas of societal challenges, the EIT will expand its portfolio of KICs progressively from five up to eight, in the period from 2016 to 2018. In particular, the EIT will:

- Designate two new KICs in 2016 in the fields of *Added-value Manufacturing (EIT Manufacturing)* and *Food4Future (EIT Food)*;
- Support the set-up process of these newly designated KICs in 2017;
- Initiate the preparations in 2017 and designate in 2018 one additional KIC in the field of *Urban mobility (EIT Urban Mobility)* - subject to the outcomes of the EIT review in 2017<sup>4</sup>.

The EIT will timely ensure that framework conditions of future KIC's selection procedures and set-up processes are conducive to an optimal outcome, notably by providing clear guidance and continuous support concerning requirements throughout the process and by allowing sufficient time for proposers to organise the partnership legally, including suitable governance and management structures to ensure future KICs' accountability to the EIT both operationally and financially. Lessons learnt from previous KICs Calls will be systematically taken into account. The EIT will actively strive to ensure that as many potential interested parties as possible are made aware of the future KIC selection procedures in 2016 and 2018 and are encouraged to participate through targeted awareness raising activities. Both during and after the selection process, the EIT will encourage synergies and complementarities between the future KICs with Horizon 2020 and other relevant EU, national, regional and international initiatives.

### 2.2.1 Designating new KICs in 2016 on Added-value Manufacturing and Food4Future and Supporting their Set-up in 2017

Subject to final approval by the EIT Governing Board in 2015, the EIT will launch in Q1 2016 a single Call for the designation of two new KICs in the thematic fields of Added-value manufacturing (EIT Manufacturing) and Food4Future (EIT Food). The KIC Call package will comprise a Framework Guidance for participants and the KIC Call text, which will take into consideration the lessons learnt from the 2009 and 2014 KICs Calls. An updated Framework Guidance document will provide applicants with additional background information on the setting-up and operation of a KIC, which will be largely based on the lessons learnt from the 2009 and 2014 Calls for KICs. The EIT will organise an Information Day in Q1 2016. Moreover, the EIT will raise additional awareness for the KIC Call, for example through dedicated events in Member States in

<sup>4</sup> Cf. Article 16 of Regulation (EC) No 294/2008, as amended by Regulation (EU) No 1292/2013 and Article 32 (2) of Regulation (EC) No 1291/2013

co-operation with National Contact Points and competent authorities, with a view to ensuring wide dissemination of general information such as the EIT concept, lessons learnt and novel practices prior to the Call as well as to encourage mobilisation and to facilitate match-making among stakeholders from the Knowledge Triangle potentially participating in the 2016 EIT Call for KICs. With a view to ensure that as many interested parties as possible are made aware of different EIT activities in a timely manner, the EIT will further enhance communication in a structured, focused, transparent and tailor-made manner using its different communication tools.

Lessons learnt from the Calls for KICs in 2009 and 2014 will be taken into account as regards the evaluation, selection and designation processes, including audit results of the 2014 Call's preparation and evaluation process. The evaluation process will continue to be aligned with Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020). The selection criteria will continue to focus on the alignment and consistency of KICs' strategic approach with their impact, financial sustainability and operational efficiency as well as integrated work streams within the Knowledge Triangle. The relevance and added value of the proposed KICs' strategies (including complementarities and synergies with other EU/ national/ regional programmes) driven by excellence and innovation will be key features of the new KICs to be designated in 2016 and 2018.

Experience from the first three KICs has shown that a significant effort is needed from KIC partners to transform the designated partnership into an integrated KIC. Therefore, the initial set-up phase is critical to getting organised as a KIC and has a substantial impact on the future KIC functioning and operations. It is also during this set-up phase that some defining features outlined at proposal stage are fleshed out and operationalised (e.g. legal set-up). The EIT will incentivise the KICs to set up the right governance and management structure, in accordance with the commitments made in the proposal. The EIT will provide start-up and continuous support to the newly designated KICs throughout 2017 with the objective of facilitating their set-up and incentivise their operationalisation in a smooth manner. Whilst respecting the autonomy of KICs as independent legal entities (LEs), the EIT will closely and constructively accompany their early development, taking into account lessons learnt with the first five KICs. The EIT will monitor the implementation of all preparatory actions based on a set of objectives, deliverables and milestones included in the Call text and Framework Guidance to ensure that KICs become quickly operational.

### 2.2.2 Designating a new KIC in 2018 on Urban Mobility

If supported by the EIT review<sup>5</sup> (to be finalised in 2017), the 2018 Call for one additional KIC in the field of Urban Mobility will build on the key features of the KIC concept. A partnership will be selected against detailed criteria in line with the Amended EIT Regulation, based on the overarching principles of excellence and innovation potential. Lessons learnt from the Calls for KICs in 2014 and 2016 will be appropriately taken into account as regards the preparation of the Call package (including the Call text and Framework Guidance) as well as the evaluation, selection and designation processes. The Call's documentation will be prepared in 2017. The EIT will continue to ensure that as many potential interested parties as possible are made aware of the KIC Call. The EIT will organise an Information Day in Q1/2018 and will participate in events promoting the Call in Member States throughout 2017. The Call text and supporting documentation will be disseminated through various channels, in particular through the EIT website. The 2018 Call for one KIC on Urban Mobility will be launched in Q1 2018 and a new KIC will be designated in Q4 2018. The table below summarises what the EIT aims to achieve in this area during the period 2016 to 2018.

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<sup>5</sup> Cf. Article 16 of Regulation (EC) No 294/2008, as amended by Regulation (EU) No 1292/2013 and Article 32 (2) of Regulation (EC) No 1291/2013

Action lines	Targets	Implementation year		
		2016	2017	2018
Designating two new KICs in 2016	✓ IT submission and evaluation system operational	X		
	✓ Organisation of the EIT Information Day	X		
	✓ Launch of the Call for KICs	X		
	✓ Selection of high-level independent experts completed	X		
	✓ Evaluation process finalised	X		
	✓ Two new KICs designated	X		
Setting up the two KICs Designated in 2016	✓ Successful legal, operational and financial set-up of two new KICs		X	
	✓ Signature of agreements between EIT and new KICs (Start-Up Grant and FPA)		X	
	✓ 2018 KIC business plans submitted		X	
	✓ Signature of 2018 Grant Agreement			X
Preparation of the Package for the 2018 KIC Call	✓ Approval of the Call's package		X	
	✓ Approval of the evaluation and selection process		X	
Designating a new KIC in 2018	✓ IT submission and evaluation system operational			X
	✓ Organisation of the Info Day			X
	✓ Launch of the Call for KICs			X
	✓ Selection of high-level independent experts completed			X
	✓ Evaluation process finalised			X
	✓ One new KIC designated			X

## 3. Enhancing the EIT's Impact

### 3.1 The EIT's next Strategic Innovation Agenda (SIA) 2021-2027

As set out in the Amended EIT Regulation, the EIT will prepare a draft seven-year SIA and submit it to the European Commission at the latest by 30 June 2018. Hence, from 2016, the EIT will address this strategically important task by identifying its long-term strategic objectives, priorities and budget needs for the programming period from 2021 to 2027. In doing so, the EIT will closely co-operate with KICs, it will take into account inputs from external experts and, as appropriate, consult relevant stakeholders through various fora, including the Stakeholder Forum. The next SIA will be built upon initial impacts of the EIT's and KICs' activities, lessons learnt and the outcomes of the 2015 Performance Audit conducted by the European Court of Auditors and the European Commission's review of the EIT in 2016 and 2017<sup>6</sup>. In addition, the EIT will further analyse potential synergies and complementarities between its activities and other EU initiatives in preparation for the submission of the SIA 2021-2027. Moreover, the EIT will take into consideration the following evaluation and review processes laid down by EU legislation: i) a Horizon 2020

<sup>6</sup> Cf. Article 16 of Regulation (EC) No 294/2008, as amended by Regulation (EU) No 1292/2013 and Article 32 (2) of Regulation (EC) No 1291/2013

interim evaluation (Article 32 (3) of the Regulation (EU) No 1291/2013), ii) the Commission review of the EIT (Article 32 (2) of the Regulation (EU) No 1291/2013), iii) independent external evaluation examining how the EIT fulfills its mission (Article 16 of Regulation (EC) No 294/2008, as amended by Regulation (EU) 1292/2013).

Action lines	Targets	Implementation year		
		2016	2017	2018
EIT's next SIA 2021-2027	✓ Identification of the EIT's long-term strategic objectives, priorities and budget for the period 2021-2027, including consultation with KICs and relevant stakeholders and input from external experts	X	X	
	✓ Submission of draft SIA 2021-2027 to the European Commission			X

### 3.2 Strengthening the Knowledge Triangle and its Integration Principles and Practices

The integration of the Knowledge Triangle is at the core of the EIT's mission. In 2016-2018, building upon lessons learnt and refinements to the concept, the EIT will work with the KICs to align practices and implement indicators to monitor and assess to what extent the Knowledge Triangle is being integrated. As a consequence, the KICs will further develop their own approaches to integrate the Knowledge Triangle. Pilot projects will be conducted together with the KICs to review in a systematic manner Knowledge Triangle Integration strategies and practices. In these reviews, the findings will be analysed and compared with similar non-EIT initiatives. The objectives of these projects will be the following:

- To foster cross-cooperation and exchange of experiences between KICs to improve Knowledge Triangle Integration in an efficient and effective manner;
- The development of indicators to monitor and assess Knowledge Triangle Integration processes. The indicators will contribute to the evidence base that EIT requires to communicate the effectiveness of the Knowledge Triangle Integration concepts to external stakeholders;
- The identification of issues in Knowledge Triangle Integration that need to be improved. Such improvement projects will be designed and carried out together with KICs;
- The preparation of documents synthesising experiences and practices for specific Knowledge Triangle practices in order to make the experiences transferable to areas which would otherwise not be able to benefit from those gained by the EIT through KICs.

The table below summarises what the EIT aims to achieve in this area from 2016 to 2018.

Action lines	Targets	Implementation year		
		2016	2017	2018

<b>Strengthening Knowledge Triangle and its Integration Principles and Practices</b>	✓ Improved exchange of experiences among KICs and EIT on good practices	X	X	X
	✓ Joint development of Knowledge Triangle Integration indicators	X	X	X
	✓ Guidance on aspects of Knowledge Triangle Integration to be used for effective outreach	X	X	X

### 3.3 Fostering Knowledge Exchange through Dissemination and Outreach

#### 3.3.1 Fostering Knowledge Exchange through Dissemination

During 2016 to 2018, the EIT will concentrate on producing and disseminating to the wider EU innovation community and beyond relevant information focusing on lessons learnt and novel innovation practices that are emerging from the substantial portfolio of activities managed by the EIT and KICs. The dissemination efforts will specifically aim to target stakeholders that may not be directly aware of the EIT's and KICs' activities, thereby leveraging interest, existing talent and latent potential. During this period, the EIT will also continue to focus on actively engaging with the media, as media relations will enable the Institute to reach a wider range of stakeholders across the European innovation landscape as well as citizens. The achievement of the above objectives will be facilitated by the implementation of the EIT Community Brand Identity throughout 2016 since the strengthening of the EIT Community brand is intended to bring greater coherence and consistency to external audience's perceptions and understanding of the EIT Community and its broad range of activities.

#### 3.3.2 EIT Regional Innovation Scheme (EIT RIS)

In the period 2016-2018, based on the strategic decisions taken in 2015, in particular on the eligibility in financial and geographical terms as well as with regards to measuring impact, the EIT will continue to work closely with the existing KICs to implementing the Regional Innovation Scheme taking into account early learnings. Moreover, the EIT will continue to monitor the implementation of the EIT RIS carried out by participating KICs and assess its impact and main results to ensure that the overall strategic objectives are achieved. The EIT will raise awareness of the scheme among excellent higher education institutions, research institutions and companies in regions not yet directly working with the EIT through its KICs as well as to other relevant stakeholders such as national and regional authorities. This will also include information sessions and the development of information material such as brochures. The EIT will further strengthen coordination, synergies and complementarities with other EU initiatives. The EIT RIS is conceptualised in a way that will allow for efficiency gains for practitioners, innovation policy makers in regions that are committed for a better integration of the Knowledge Triangle, in particular with regard to the implementation of their national and/or regional Smart Specialisation Strategies (RIS<sup>3</sup>) s. In this context, the EIT will continue to engage with the JRC Institute for Prospective Technological Studies (IPTS) which is hosting the RIS<sup>3</sup> platform assisting Member States and regions to develop, implement and review their strategies. Reinforced co-operation will facilitate the EIT's guidance to KICs on the operationalisation of the EIT RIS scheme, for example with a view to targeted innovation partnerships encouraging greater co-ordination between different societal stakeholders and aligning strategies (and resources) between private and public actors of different governance levels.

From 2016 to 2018, following the initial review of the scheme, the EIT will continue to provide guidance and support to KICs as well as set incentives in line with the guiding principle of voluntary participation by

KICs. Taking into account different maturity levels, newly established KICs will be incentivised to implement the EIT RIS first on a pilot basis, followed by a full scale implementation. The table below summarises what the EIT aims to achieve in this area during from 2016 to 2018.

Action lines	Targets	Implementation year		
		2016	2017	2018
Fostering Knowledge Exchange through Dissemination	✓ Knowledge Triangle integration practices widely recognised among and adopted by strategic stakeholders	X	X	X
	✓ Brand alignment in the EIT Community	X		
	✓ Learnings, novel practices and results from the KICs accessible to the wider EU innovation community and beyond	X	X	X
EIT Regional Innovation Scheme (RIS)	✓ Continuous support and guidance to the KICs in the implementation of the EIT RIS	X	X	X
	✓ Actions of specific target groups funded through the EIT's outreach budget	X	X	X
	✓ An outline of the EIT RIS for each newly designated KIC defined, effective support delivered	X	X	X
	✓ EIT RIS refined, reviewed and implemented by KICs	X	X	
	✓ Awareness of the benefits of the EIT RIS among relevant stakeholders and to the wider public	X	X	X

### 3.4 Fostering and Attracting Talent

As talented people are at the heart of successful innovation, one of the EIT's most important role is to nurture and attract talent. From 2016 to 2018, the EIT will continue to support and implement a variety of activities to give talented people the opportunity to use their potential to the full and to create environments where they can thrive and to develop the next generation of entrepreneurs, innovators and change agents. The EIT will implement its strategy to foster and attract talent across Europe and globally in close alignment with the Institute's consolidation strategies in the areas of education, entrepreneurship and innovation-driven research. Through entrepreneurial education, the EIT will continue to provide new career paths and mobility options between academia and the private sector, and innovative schemes for professional development. Throughout 2016-2018 the EIT label will continue to be developed into an internationally recognized brand of excellence attracting talent from Europe and beyond. The EIT Awards, which are given in three categories, will continue to put start-ups, entrepreneurial graduates and innovation teams from the KICs into the spotlight, enhancing their development path as well as creating role-models for others to emulate.

### 3.4.1 EIT Alumni Community

The EIT Alumni Community will continue to contribute from 2016 to 2018 to achieving strategic EIT objectives, such as promoting an entrepreneurial mind-set and enhancing opportunities for innovation and business creation. Through the EIT Alumni Community, the EIT will help unleash the potential of the talent pool of young entrepreneurs, innovators and change agents that KICs are educating and training. As an effective and sustainable community, it is driven by its members, ensuring continued ownership and responsibility for the direction of the community, whilst the EIT (and its KICs) will play a strategic partnering role.

In the period 2016-2018, the EIT Alumni Community will consolidate its structures, refine its implementation strategy and develop and deliver its portfolio of added-value services to members. It will provide opportunities for sharing knowledge, networking, mentoring and implementing joint projects and ventures, especially on cross-thematic areas. The EIT Alumni Community will take an ambassador role in promoting an entrepreneurial mind-set in Europe and beyond and it will also engage in specific outreach activities to promote innovation. The EIT Alumni Community will focus on growing its community by including participants from KIC entrepreneurship and innovation activities. The EIT will continue to provide guidance and financial support for the EIT Alumni Community during 2016 through the procurement of advisory services. As of 2017, the EIT may partially fund it via a direct contribution from its budget in the form of a grant. In the long-run, the Community will be encouraged and incentivised to become financially sustainable.

The table below summarises what the EIT aims to achieve in this area from 2016 to 2018.

Action lines	Targets	Implementation year		
		2016	2017	2018
EIT Alumni Community	✓ Consolidate EIT Alumni Community governance structure and refine its implementation strategy	X	X	
	✓ EIT Alumni Community to offer added-value activities to its members and to deliver specific outreach activities	X	X	X
	✓ Continuous alignment of EIT Alumni Community vision and activities with overall EIT strategic objectives	X	X	X

### 3.5 Enhancing Stakeholder Engagement

Active engagement with relevant stakeholders in an open and transparent manner will remain a cornerstone of the EIT's efforts during 2016-2018. The EIT's strategic objectives in working as an Institute benefiting Europe and its citizens overall will be achieved through a systematic, coherent and integrated approach that involves all concerned stakeholders, which is based on dialogue, partnership and empowerment. The EIT will seek reciprocal exchanges with other EU initiatives to foster appropriate coordination, synergies and complementarities within the 'Innovation Union' and Horizon 2020 initiatives, both bottom-up through KIC partners' own involvement and through actions co-ordinated by the EIT. Moreover, the EIT will continue to participate in dedicated events from various initiatives (including European Innovation Partnerships, Joint Technology Initiatives and Joint Programming Initiatives) to increase awareness of EIT/KIC activities and enhance complementary competences. In the period 2016-2018, a task of high importance for the EIT will be the preparation and submission to the European Commission of the EIT's next Strategic Innovation Agenda covering the period from 2021 to 2027. In this

regard, the EIT will design a strategy in 2016, followed by its implementation in 2017 and 2018, aimed to seek input from external experts and all relevant stakeholders, including KICs, with a view to prepare a coherent proposal on the future of the EIT.

### 3.5.1 Relations with Institutional and Knowledge Triangle Stakeholders

From 2016 to 2018, the EIT will continue to work closely with relevant networks of national and regional authorities, as well as EU-level umbrella business associations, research and academic networks. Engagement with both institutional decision-makers - including the European Parliament, the Council and the European Commission - involved in shaping and implementing innovation and entrepreneurship policies will take place in accordance with legislative requirements. Structured engagement with Knowledge Triangle stakeholders from academia, research and business communities (focusing in particular on Small and Medium-sized Enterprises, SMEs) will continuously be strengthened. This enhanced engagement will ensure stakeholders' involvement, as appropriate, in the EIT's programming cycle, including consultation in the preparation of the EIT's next SIA, as well as support for EIT/KIC activities. As the specific needs of, and demands from, stakeholder groups, as well as the motivations to engage with the EIT will differ substantially, a tailored approach including different formats and tools of engagement will be used. In 2016, based on identified requirements, the EIT will develop a web-based tool for supporting knowledge sharing and networking with a view to enhance the EIT's impact and foster interaction. In 2017, the implementation of this platform will be initiated.

#### *EIT Roundtables*

The EIT Roundtables have been positioned as top-class events in Europe, bringing together stakeholders from the Knowledge Triangle. Their objective is to amplify the EIT's voice in the mainstream global discussions on entrepreneurial innovation around grand societal challenges, to contribute to a strong branding of the EIT and to reflect on the practices of the EIT and KICs within selected topics of interest. From 2016 to 2018, the EIT will further develop and fine-tune this initiative into a strategic and forward looking instrument. Topics which are essential for the operation of the KICs and for branding of the EIT model, including entrepreneurship, innovation, education and their integration, will be carefully selected. These topics will be discussed in well-prepared, small scale Roundtables. Wherever possible, roundtables will be organised with multiplier organisations. Participants may include representatives from EU bodies, national and regional governments, scholars and practitioners from larger corporations, SMEs and research institutes. The outcome of these EIT Roundtables will be presented through scientific papers and thorough reports with a view to deepening and strengthening operations of KICs and accelerating the assimilation of experiences of the EIT and KICs by other stakeholders. The Roundtables will contribute to a strong branding of the EIT, demonstrating thought leadership in its domain and act as an important stepping stone in building a wide pan-European network of stakeholders (e.g. entrepreneurs, educators, innovators, multiplier organisations) committed to the EIT and its objectives.

#### *EIT Awards*

The EIT Awards promote innovation and entrepreneurship in Europe and contribute to the branding of the EIT in Europe and globally. The EIT Awards cover the three sides of the Knowledge Triangle and put on the spotlight: high-potential entrepreneurial start-ups brought to maturity by KICs; innovation teams encompassing different Knowledge Triangle actors that deliver outstanding innovations; and EIT Alumni that excel in putting into practice the skills and competences acquired in EIT labelled educational programmes as the next generation of entrepreneurs and change agents in European societies. The EIT Awards are an essential instrument to demonstrate the EIT's and KIC's achievements to stakeholders. Thus, the EIT Awards event will be organised as part of the wider annual EIT Stakeholder Forum to increase opportunities for interaction and exchanges of ideas.



From 2016-2018, the EIT will focus on further strengthening the EIT Awards by fine-tuning underlying processes and enhancing its impact. In close collaboration with KICs, the EIT will strive to continuously raise the quality of nominations. In 2016, the EIT will introduce a monetary prize for the winners of the EIT Awards, which will help them to develop their ideas, activities and businesses and in a coherent manner complement KICs' own support. The selection procedure for the monetary prize, launched in 2015, is based on the requirements set out in the Financial Regulation for the implementation of prizes. During 2016 to 2018, a mentoring scheme will be developed and implemented in close co-operation with the KICs. This scheme will build upon the present mentoring approaches of KICs. The EIT and KICs will join forces, making optimal use of their networks to create a structural engagement with top mentors and coaches for individuals with high-potential. A plan for the mechanisms to implement the mentoring scheme, including financial and human resources, will be developed upon assessment of the 2015 piloting phase.

### 3.5.2 EIT Stakeholder Forum

From 2016 to 2018, besides conferences, workshops and bilateral meetings (formal and informal), one major mechanism for enhanced stakeholder interaction will be the annual EIT Stakeholder Forum, open to the wider EIT Community. The Forum will enhance mutual learnings on good practices benefiting KICs' partnerships, the EIT and Europe as a whole. It will further facilitate the dissemination of results emerging from EIT/KIC activities and will help explore synergies and complementarities with EU, national and regional initiatives as well as to align strategic objectives and funding. In particular, the Forum might be consulted in 2016 and 2017 for the preparation of the EIT's next SIA (2021-2027).

In line with the EIT's amended Regulation, EU Member States' representatives will continue to meet within a special configuration of the EIT Stakeholders Forum with a view to ensure timely communication, appropriate flow of information and synergies and complementarities with national programmes and initiatives. Based on the experiences of the 2015 Stakeholder Forum, where for the first time different components, such as the EIT Awards and EIT Roundtables, formed a coherent, integrated framework allowing for showcasing and reinforcing the EIT brand, the concept of the event, in line with the EIT Amended Regulation and SIA, will be reviewed for preparation of the editions in 2016-2018. According to legal requirements and specific needs in 2016, 2017 and 2018 the scope of the annual EIT Stakeholder Forum (including the Member State Configuration), which might be focused on specific topics, will be adapted taking into account current circumstances such as the launch of a new KIC Call as well as the feedback provided to the EIT by stakeholders.

### 3.5.3 Relations with Third Countries and International Organisations

Considering its education, entrepreneurship and innovation agendas as a means to provide added-value to Europe, the EIT and KICs strive to attract partners, organisations and students, from all over the world to contribute to the EU's competitiveness and reinforce its international attractiveness. In this way, the EIT will increase its ambition to create synergies beyond Europe on these agendas and to contribute to the efforts of the European Union's and Member States' international engagement to continuously enhance the success of their innovations on the global scene. From 2016 onwards, strategies for selected countries will result in concrete value propositions, e.g. exchange of students, acceleration of ventures.

From 2016 to 2018, based on its refined global outreach strategy, the EIT will continue to work closely with the KICs in forging strategic relations with key partners from around the globe. During this period, the EIT will continue to liaise with relevant interlocutors, and in the context of synergies and complementarities, taking full advantage of existing EU initiatives in this area such as *Erasmus+* and *Marie Skłodowska-Curie*. Moreover, in the pilot phase which runs until 2017, the EIT will participate in targeted events in the BRIC countries and the US, and engage in alliances with relevant international organisations, for instance the *OECD* and the *World Economic Forum*, for mutual benefit and concrete synergies. In 2018, the EIT will

consider complementing its efforts in promoting talented people through co-operation with leading global partners.

The table below summarises what the EIT aims to achieve in this area from 2016 to 2018.

Action lines	Targets	Implementation year		
		2016	2017	2018
Relations with Institutional and Knowledge Triangle Stakeholders	✓ Reinforced dialogue with key institutional stakeholders including annual engagements with the European Commission, Council and European Parliament	X	X	X
	✓ Enhanced structured dialogue with key Knowledge Triangle EU level networks of stakeholders	X	X	X
	✓ Strategy for stakeholder engagement in the preparation of the SIA 2021-2027 and its implementation	X	X	X
EIT Stakeholder Forum	✓ Annual EIT Stakeholder Forum and dedicated EU Member State configuration	X	X	X
	✓ A web-based tool for enhanced knowledge sharing and networking around the EIT	X	X	X
EIT Roundtables	✓ High-level expert events contributing to EIT thought leadership in the field of entrepreneurship and innovation, strengthening the EIT brand and KIC practices	X	X	
EIT Awards	✓ Further strengthening the EIT Awards by fine-tuning underlying processes and enhancing its impact	X	X	X
	✓ Further develop the mentoring scheme and implement it in close co-operation with the KICs.	X	X	X
Relations with Third Countries and International Organisations	✓ Enhanced engagement with international organisations (e.g. OECD and WEF) and key stakeholders in non-EU countries (focusing on BRIC countries and the US)	X	X	X

# 4. New Delivery Mechanisms and Result-oriented Monitoring

## 4.1 EIT-KIC Relations

In line with its mandate, the EIT will continue to spur economic growth by generating *inter alia* innovative products and services using a novel approach through the implementation of the Knowledge Triangle integration. The EIT designs, in consultation with KICs, the requirements that they will have to fulfil and selects KICs through a robust and transparent process. With the designation of a KIC, a long-term partnership (from seven to fifteen years) between the EIT and the KIC is established. The EIT and KICs form one large innovation community that will have the greatest impact when strategies and activities of the different members of the community are well aligned, mutually reinforcing each other to achieve the strategic objectives of enhancing Europe's innovation potential and global competitiveness.

The EU holds the EIT accountable for achieving the outcomes and impacts pursued and for disseminating the learnings throughout Europe and beyond. The methods adopted by the EIT and passed on to KICs meet applicable EU rules and regulations, whilst the EIT will take full advantage of its derogations. The EIT will continue to orchestrate the KICs to reach these objectives efficiently and effectively. In this context, a well-functioning partnership with the KICs is essential. This partnership should be guided by a common ambition and shaped by a clear definition of the respective responsibilities, namely by efficient, transparent and fair processes and procedures in conformity with EU requirements and by a dynamic, constructive interaction based on mutual trust and an open culture. Over the years, the EIT and the first three KICs have jointly developed and implemented several building blocks shaping and formalising their multiple interactions. From 2016 to 2018, a systematic approach will be taken to review and improve the current collaboration at both strategic and operational levels. Challenges and areas for improvement will be identified and addressed. New collaboration mechanisms will be introduced if and when deemed appropriate. This set of activities will be carried out in close co-operation with all KICs.

In the period from 2016 to 2018, the EIT will increasingly strengthen relations with KICs, with a particular focus on integrating two new KICs to be designated by the end of 2016 (under the thematic areas of Food4Future and Added-value Manufacturing) and one additional KIC by the end of 2018 (on Urban Mobility), bringing the total number of KICs to eight. Hence, the EIT will pay attention to optimise the processes and structures through which it relates to the KICs. Building on activities initiated in earlier years, the EIT will continue to develop close co-operation with KICs a capacity within the EIT Headquarters to facilitate cross-KIC exchanges and learnings. The EIT will provide a number of added-value services to KICs on horizontal issues, for example on communications, EIT branding and IP policies, where efficiency gains can be achieved. Key areas to explore for cross-KIC innovation activities from 2016 to 2018 will be: novel practices on IP, enabling effective implementation of the KICs' business models; assurance of world-class level and market-oriented KIC activities; and Co-location Centres as a primary delivery mechanism of KIC innovation projects. In addition, the EIT will support its KICs in promoting their achievements and innovative outcomes (including products, services and/or processes) at EU, national and regional levels. The EIT will undertake foresight activities to explore future directions both for the EIT and KICs. As appropriate, the EIT will create joint task forces with KICs' representatives to address specific issues and seek mutually beneficial solutions.

### 4.1.1 The Role of the EIT as an Investor and KICs' Financial Sustainability Strategies

The EIT invests in the integration of the Knowledge Triangle, nurturing and enabling existing centres of excellence in research, business and higher education in Europe to come together and foster their long-term systematic collaborations through KICs. The EIT seeks a return through tangible societal impacts (e.g. new businesses and jobs, educate the future generation of entrepreneurs, attract and retain talent, new products and services, etc.). As an investor the EIT will monitor the effectiveness of the investments made in KICs and take appropriate measures when necessary, for example through modification of the criteria based on which competitive funding is allocated. Therefore, a key priority for the EIT in the period 2016 to 2018 will be to find the proper balance between its role as an investor in KICs and the need to monitor its investments, while simultaneously designing, implementing and refining an efficient investment lifecycle and its systems and processes that will contribute to deliver meaningful results for Europe and beyond. As stated in the SIA, while KICs will not be fully financially independent from the EIT during the first years of operation, they will be encouraged to become sustainable in the medium-term; i.e. gradually reduce their dependency from EIT funding for their further consolidation and further expansion. In addition, the EIT Regulation indicates that KICs shall develop strategies for financial sustainability. Throughout this period, the EIT will refine and implement its investments in KICs, in particular its strategy for KICs' financial sustainability designed to ensure a smooth and predictable transition towards their gradual financial independence from the EIT. The EIT will provide continuous guidance to KICs on the main contents and structure of their financial sustainability strategies (e.g. key financial milestones and indicators, etc.) and conduct periodic reviews of KICs' financial performance.

According to the EIT SIA, the EIT-KIC Funding Model consisting of an EIT's financial contribution to KICs of up to 25% of their total budget (KIC Added Value Activities – KAVA), while the remainder minimum 75% is funded by non-EIT sources (KIC complementary activities – KCA) will, in principle, be kept during 2016-2018. As appropriate, the EIT will refine the model, its interpretation and implementation. During this period, strengthening the linkages between KAVA and KCA will be a top priority for the EIT. In this context, the EIT will continue the path towards a gradual increase in the results from KAVA and increased additional financial and operational leverage from the portfolio of KCA, which will contribute to greater overall impact of KIC activities. Subject to approval by the EIT Governing Board, the share of competitive funding for mature KICs could progressively increase compared to the share of support funding.

The table below summarises what the EIT aims to achieve in this area from 2016 to 2018.

Action lines	Targets	Implementation year		
		2016	2017	2018
EIT-KIC Relations	✓ Optimise the processes and structures through which the EIT relates to KICs	X	X	X
	✓ Facilitate cross-KIC exchanges and learning	X	X	X
The role of the EIT as an Investor and KICs' Financial Sustainability Strategies	✓ Monitor the effectiveness of the investments made by the EIT in KICs	X	X	X
	✓ Design, implement and refine efficient the EIT investment lifecycle in KICs and its systems and processes	X	X	X
	✓ Oversee the implementation of its strategy for KICs' financial sustainability, take corrective measures if needed and issue guidance/support	X	X	X

	on the main contents and structure of a KIC's financial sustainability strategy	X	X	X
	✓ Conduct periodic reviews of a KICs' financial performance			
	✓ Refine the EIT-KIC Funding Model, clarify its interpretation and issue guidelines for implementation, namely strengthening the links between KAVA and KCA	X	X	X

## 4.2 Simplification

In line with EIT SIA, as a 'smart investor' in its KICs, the EIT considers simplification as a dynamic process, embedded in the EIT's strategy and operations. Simplification, implemented in a responsible and accountable manner, is a must for the EIT to achieve effective results, promote innovation breakthroughs and for the involvement of the academic, research and business communities. While taking into account the principles and provisions of the EU Financial Regulation 966/2012 and Horizon 2020 regulations, there is room for the EIT to exploit its regulatory flexibility and push the simplification agenda further. In particular the EIT will consider in its simplification strategy benchmarks to assess progress to ensure that the new models of simplification are disseminated across the Union and inform other Union initiatives. To this end, during the period 2016 to 2018, the EIT will continue to implement its simplification strategy aimed to:

- 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;
- 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.

As part of Horizon 2020, the EIT has been consolidating and aligning its operating procedures with the new legal basis. To this end, the EIT will continuously review and explore opportunities in areas where its KICs may benefit from additional derogations. The EIT will further elaborate its simplification strategy and in alignment with Horizon 2020 the provision of clear and coherent guidance on the expectations, obligations and responsibilities throughout the entire life cycle of KICs. The EIT will develop its approach 'Setting EIT standards for KIC Management and Control Systems' whereby the EIT will optimise its management systems in view of an increasing number of KICs coupled with an increasing empowerment that will be gradually introduced in the EIT-KIC operational environment. In addition, the use of simplified costs will be further extended in order to converge towards a fully-fledged results-oriented approach. The EIT will also explore the potential benefits and practical implications of applying other financial instruments than grants either alone or in combination with grants. Although the EIT funding to the KICs is carried out solely via grants, from 2016 to 2018, the EIT will assess how new financial mechanisms may be established via debt or equity instruments. As an 'investor' in KICs, the EIT will follow these developments closely, and will encourage KICs access to make full use of them, facilitating and coordinating access if appropriate. The table below summarises what the EIT aims to achieve in this area from 2016 to 2018.

Action lines	Targets	Implementation year		
		2016	2017	2018
Simplification	✓ Financial/operational procedures improved and aligned with H2020 Rules for Application	X		

	✓ Enhancement of KIC governance, management and control systems	X	X	X
	✓ Establishment of KIC specific simplified cost categories		X	X
	✓ Pilot introduction of alternative delivery mechanisms complementing the current model in line with EIT's concept on financial sustainability			X

### 4.3 Monitoring, Impact Analysis and Evaluation

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. During the period 2016-2018, the EIT will continue to enhance the robustness of its result-oriented monitoring system, which will also take into account, as appropriate, Horizon 2020 Monitoring Strategy and recommendations from audits conducted by the European Court of Auditors. The EIT evaluation and monitoring strategy has two main objectives: 1) to support the EIT and its KICs to learn lessons from experience; and 2) to account for the use of resources. To this aim, the EIT evaluation and monitoring system aims at ensuring quality of deliverables, contribution to Horizon 2020 priorities, lessons learning from the most successful KIC activities, and at the same time, allowing for sufficient flexibility in KICs' operations and openness to new ideas and partners. This system is a fundamental tool to allow the EIT developing a solid capacity for gathering and analysing data. It will also allow monitoring comprehensively relevance, efficiency, effectiveness, utility / sustainability and impact of EIT investments and activities, and demonstrating that these maximise outcomes and results and create impact. The ultimate goal is to measure the EIT performance against its own objectives and to benchmark EIT and its KICs against novel practices at European and global levels. This evaluation and monitoring system covers the four different dimensions of the EIT context: Horizon 2020, EIT, cross-KIC and individual KIC level.

During 2016 to 2018, the EIT will continue to ensure excellence, quality of results and increasing impact, in particular by further enhancing and refining its framework for evaluation and monitoring, and reinforcing tools such as the continuous monitoring and thematic reviews and Performance Measurement System (PMS). This comprehensive system for continuous monitoring at all governance levels is a major component of the EIT's result-oriented monitoring. During the period 2016 to 2018, the EIT will place a strong emphasis on consolidating its monitoring-related activities towards its KICs, and the EIT itself, by refining its operational strategy for continuous monitoring, evaluation and impact assessment benefitting not only KICs but the EIT as an Institute for Europe. This system will encompass all related EIT activities ranging from annual Key Performance Indicators (KPIs) data collection, continuous monitoring, the contribution of EIT to Horizon 2020, its methodologies to assess impact and the EIT's monitoring of its own operational performance in terms of effectiveness, efficiency and impact.

The EIT will disseminate the main results of the different monitoring, impact and evaluation initiatives, including the performance on the indicators mentioned in this TWP, to the wider innovation community.

#### 4.3.1 EIT Performance Measurement System (PMS)

Designed in 2012, the EIT's PMS pioneered a system to track performance, which proved to be successful to such an extent that Horizon 2020 has adopted some of its innovation indicators. The overall objective of PMS is to support a results-oriented monitoring on the implementation of the EIT's strategy. It consists of four levels, reflecting the multi-layered governance of the EIT. It is based on common strategic objectives resulting from a shared vision and values of the EIT and KICs. From 2016 to 2018, performance measurement will be carried out at the following four levels:

- *KIC level:* Monitoring of a KIC on the basis of its individual targets and Key Performance Indicators (KPIs) stipulated in a KIC business plan. These KIC-specific indicators are defined by the KICs based on their internal strategies and organisation as well as to define their activities and mobilise the resources needed.
- *Cross-KIC level:* The EIT monitoring of all KICs, which will focus on a series of EIT's strategic objectives, as identified in the EIT Scoreboard, covering a common set of indicators across all KICs. The indicators cover the attractiveness of education programmes, number of new graduates, number of business ideas incubated, number of start-ups created, knowledge transfer and adoption, and new or improved products, services and process launched.
- *EIT level:* The monitoring of the EIT's own activities that add value to the KICs and their stakeholders, combining quantitative and qualitative indicators in a medium-term perspective. It monitors on the one hand operational excellence and on the other its positioning, using indicators, *inter alia*, due dates for Grant Agreement completion, reporting acceptance and payment execution, percentage of processes formalised, talent on the job and level of satisfaction on EIT services. *Horizon 2020:* Monitoring and Evaluation of the EIT as an EU innovation institute under Horizon 2020. The indicators for assessing the performance of the EIT are: organisations from universities, business and research integrated in the KICs; and collaboration inside the Knowledge Triangle leading to the development of innovative products, services and processes.

The revision of the EIT Performance Measurement System launched in 2015 will be integrated into the EIT's monitoring strategy and complemented with an implementation plan developed by early 2016. During 2017 and 2018, the PMS is expected to be under full operation as an integral part of the grant management core processes and corrective actions will be taken as part of the monitoring outputs from the PMS. This will build upon the lessons learnt once KICs update their respective strategic outlook after five years of operations and adapted accordingly their KIC-specific PMS (including their individual KIC-specific performance indicators).

The revised EIT PMS will be one of the main tools to monitor progress of KICs towards the multiannual long-term objectives. It will contain refined output-oriented KPIs according to lessons learnt and it will include for the first time a new set of KPIs measuring outcomes, thus complementing the output-oriented indicators originally defined in 2012. This will be in line with the strategic approach adopted, where the EIT PMS is built gradually along the "learning by doing" approach. The transition of the EIT PMS from outputs towards outcome-based indicators will constitute a major improvement of the EIT's monitoring system. Nonetheless, its full deployment will pose new challenges during 2016 and 2017, which will demand close co-operation between the EIT and KICs to ensure that it adapts adequately and fairly to all KIC. It will also imply fine tuning of, for example, formal channels to exchange information across the different institutional knowledge management systems. While the EIT PMS is a core tool for the EIT framework of evaluation and monitoring, KPIs will be complemented with other qualitative analysis to enable a complete and fair overview of the general performance of the EIT and KICs. During the period 2016-2018, these complementary evaluation tools will be further developed.

Furthermore, as stated in its Amended Regulation, the EIT is part of the mainstreaming of climate change expenditure as defined in Horizon 2020. All of the first three KICs, especially Climate-KIC and KIC InnoEnergy, are particularly well positioned to meet the EIT spending target of at least 35% contributing to climate actions. Furthermore, in connection with its business plan guidance for KICs and in line with Horizon 2020, the EIT will continue to request that KICs clearly identify climate action-related activities in their annual budgeting and subsequent cost reporting in accordance with the tracking system based on 'Rio markers'. This will allow the EIT to monitor spending targets and track actual expenditure on climate actions.

### 4.3.2 Results-oriented monitoring of KICs

Throughout 2016 to 2018, 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. As part of the EIT's enhanced monitoring of KICs, particular attention will be given to their contribution to the 'Innovation Union' priorities, specifically: skills through the promotion of the EIT labelled degrees and diplomas, innovative procurement, IP policies, access to finance for KICs' start-ups and innovative companies, knowledge transfer involving all players in the Knowledge Triangle, and promoting co-operation with top-class innovation players outside the EU benefiting Europe, the EIT and KICs. The pilot monitoring actions performed in 2015 will serve as a sound basis to consolidate and improve grant management cycles in 2016, 2017 and 2018. From a monitoring standpoint, special attention will be placed on the potential to gradually introduce an increasingly flexible and tailor-made approach. These monitoring activities will be complemented with occasional reviews targeting some key processes of KICs to ensure that the development activities serve their original purpose. Typically, in the first quarter of each year, a Grant Agreement will be signed between the EIT and KICs, implementing the decisions taken at the end of the previous year by the EIT Governing Board. Building on lessons learned, the EIT will issue timely guidelines for the submission of KIC business plans and reports. Key business processes will be aligned to increase efficiency and effectiveness.

In line with the periodic revision required for the EIT framework on evaluation and monitoring, and in consultation with KICs, the EIT will periodically refine and implement the cross-KICs methodology for monitoring research and innovation projects, including their impact and consistency with the EIT's strategic objectives. Such system will cater for quantitative and qualitative assessment as well as identification of results and novel practices complementing the quantitative monitoring via KPIs.

### 4.3.3 Evaluation and Impact Assessment

As set out in the EIT Regulation, an independent external evaluation of the EIT and the KICs will be carried out by the European Commission, with support from external independent experts, by the end of 2016. The evaluation of all EIT and KIC activities will look at the added-value of the EIT, the impact, effectiveness, sustainability, efficiency and relevance of the activities and complementarity with other national and EU initiatives. In addition, by the end of 2017, Horizon 2020's interim evaluation will also include EIT's activities. The outcomes of the latter evaluation will directly influence the launch of the 2018 Call for a KIC on Urban Mobility.

Hence, building on initiatives started in previous years, the EIT will timely prepare for these evaluations. Throughout 2016 to 2018, the EIT will place particular emphasis on refining and putting into practice its overall strategy and processes to analyse and assess results and impacts of all EIT's and KICs' activities. With its continuous improvement approach, the EIT will carefully refine and implement KPIs and impact indicators, including the EIT Scoreboard, periodically monitored via robust assessment and evaluation methodologies, as well as benchmarking against international good practices. The EIT will develop this work in collaboration with the KICs and will consider engaging external experts to assist in developing and deploying a coherent overall architecture on continuous monitoring, evaluation and impact assessment. In particular from 2016 to 2018, the EIT will develop an Impact Framework, which will consider the EIT's and KICs' impact data and methodologies and identify benchmarks, whilst taking into account the revised Scoreboards and KPIs. The EIT will closely accompany the implementation of these evaluations and will scope, adapt and adopt proven successful measures already undertaken by the European Commission, including EU Agencies. Moreover, as set out in the EIT Regulation the EIT will start preparing in 2016 an assessment of its socio-economic impact to be included in the SIA 2021-2027. The EIT will also take into account the results of its monitoring and evaluation activities. The table below summarises what the EIT aims to achieve in this area from 2016 to 2018.



Action lines	Targets	Implementation year		
		2016	2017	2018
EIT Performance Measurement System (PMS)	✓ Timely review and implementation of the EIT PMS'	X	X	X
	✓ Refine formal communication channels of monitoring information	X	X	
	✓ Target setting and expenditure tracking for climate-related actions in place	X	X	X
Results-oriented monitoring of KICs	✓ Improved annual grant cycle (including Business Plan and Cost & Performance Report Assessments)	X	X	X
	✓ Thematic reviews on concrete KIC operation areas complementing continuous monitoring	X	X	X
Evaluation and impact assessment	✓ Integrated strategic approach on monitoring, evaluation and impact assessment – implemented and monitored for continuous improvement	X	X	X
	✓ Develop the EIT's Impact Framework	X	X	X
	✓ Assessment of EIT's socio-economic impact to be included in the EIT SIA 2021-2027	X	X	

## 5. ANNEXES

Annex I: Estimate of Financial Needs and Sources of Funding  
2016-2018

Annex II: Estimate of Human Resources Requirements at the  
EIT Headquarters 2016-2018

Annex III: Future Outlook for Existing EIT Knowledge and  
Innovation Communities (KICs)

## Annex I: Estimate of Financial Needs and Sources of Funding 2016-2018

<b>Current cost in MEUR, commitment appropriations</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Admin	6.5	8.5	9.5
Grants	206.419.415	284.6	394.8
Other operational expenditure including the EIT RIS	20	22	22
<b>TOTAL (CA)</b>	<b>232.919.415</b>	<b>315.1</b>	<b>426.3</b>

Figures are indicative and shall be revised to take into account the outcome of the budgetary procedures or any other modifications necessary. Based on the adopted Multiannual Financial Framework 2014-2020 taking into account the impact of the Proposal for a Regulation of the European Parliament and of the Council on the European Fund for Strategic Investments and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013.

### Indicative breakdown of the EIT's 2016 Operational Expenditure<sup>7</sup>

Title Chapter	Heading	Appropriations 2016	
		Commitment	Payment
<b>1</b>	<b>STAFF EXPENDITURE</b>		
11	STAFF IN ACTIVE EMPLOYMENT	4,543,000.00	4,543,000.00
12	RECRUITMENT EXPENSES	35,000.00	35,000.00
13	MISSION	330,000.00	330,000.00
14	SOCIO-MEDICAL INFRASTRUCTURE	121,750.00	121,750.00
15	TRAINING	115,000.00	115,000.00
16	EXTERNAL STAFF AND LINGUISTIC SUPPORT	311,000.00	311,000.00
17	REPRESENTATION	3,500.00	3,500.00
	<b>Title 1 - Total</b>	<b>5,459,250.00</b>	<b>5,459,250.00</b>
<b>2</b>	<b>INFRASTRUCTURE AND OPERATING EXPENDITURE</b>		

<sup>7</sup> Subject to the availability of the appropriations provided for in the draft budget for 2016 after the adoption of the budget for 2016 by the budgetary authority or if the budget is not adopted as provided for in the system of provisional twelfths.

20	BUILDING AND ASSOCIATED COSTS	103,000.00	103,000.00
21	INFORMATION AND COMMUNICATION TECHNOLOGY	190,500.00	190,500.00
22	MOVABLE PROPERTY AND ASSOCIATED COSTS	24,500.00	24,500.00
23	CURRENT ADMINISTRATIVE EXPENDITURE	299,500.00	299,500.00
24	PUBLICATIONS, INFORMATION, STUDIES AND SURVEYS	51,000.00	51,000.00
25	MEETING EXPENSES	390,000.00	390,000.00
	<b>Title 2 - Total</b>	<b>1,058,500.00</b>	<b>1,058,500.00</b>
<b>3</b>	<b>OPERATIONAL EXPENDITURES</b>		
30	GRANTS*	222,591,665.00	255,867,568.00
31	KNOWLEDGE AND INNOVATION COMMUNITIES	2,055,000.00	1,871,400.00
32	COMMUNICATION AND OUTREACH	1,330,000.00	1,316,500.00
33	STRATEGY AND STAKEHOLDER RELATIONS	425,000.00	333,500.00
	<b>Title 3 - Total</b>	<b>226,401,665.00</b>	<b>259,388,968.00</b>
	<b>GRAND TOTAL</b>	<b>232,919,415.00</b>	<b>265,906,718.00</b>

\* In 2016, the signature of the grant agreements between the EIT and KICs are foreseen by the end of January.

Indicative amount of the 2016 EU contribution, as well as other contributions, including contribution in-kind by the host Member State to the EIT and potential existing surplus

Title Chapter	Heading	Budget 2016	Budget 2016
		Commitment appropriations (CA)	Payment appropriations (PA)
<b>2</b>	<b>EUROPEAN UNION SUBSIDY</b>		
20	EUROPEAN UNION SUBSIDY	221,984,200	254,029,375
	<b>Title 2 - Total</b>	221,984,200	254,029,375
<b>3</b>	<b>THIRD COUNTRIES CONTRIBUTIONS (INCLUDING EFTA AND CANDIDATES COUNTRIES)</b>		
30	CONTRIBUTIONS BY THE EUROPEAN FREE TRADE ASSOCIATION MEMBER STATES	6,461,769	7,403,897
31	CONTRIBUTIONS BY THIRD COUNTRIES	4,473,446	4,473,446
	<b>Title 3 - Total</b>	10,935,215	11,877,343
<b>4</b>	<b>OTHER CONTRIBUTION</b>		
41	CONTRIBUTIONS BY THE HOST MEMBER STATE	0.00	0.00
	<b>Title 4 - Total</b>	0.00	0.00
<b>5</b>	<b>REVENUE ACCRUING FROM THE ADMINISTRATIVE OPERATION OF THE INSTITUTION</b>		
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST		
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTIONS		
59	OTHER REVENUE FROM ADMINISTRATIVE OPERATIONS		
	<b>Title 5 - Total</b>	0.00	0.00

6	SURPLUS, BALANCES		
60	SURPLUS, BALANCES		
	<b>Title 6 - Total</b>	0.00	0.00
7	CONTRIBUTION AND REFUNDS IN CONNECTION WITH THE OPERATIONAL ACTIVITIES OF THE INSTITUTION		
70	REPAYMENT OF KICS GRANTS	0.00	0.00
71	REPAYMENT OF AMOUNTS PAID IN CONNECTION WITH THE OPERATIONAL ACTIVITIES OF THE INSTITUTION		
	<b>Title 7 - Total</b>	0.00	0.00
	<b>GRAND TOTAL</b>	<b>232,919,415</b>	<b>265,906,718</b>

## Annex II: Estimate of Human Resources Requirements at the EIT Headquarters 2016-2018<sup>8</sup>

Staff categories		2016	2017	2018
TA	AD	34	35	38
	AST	5	6	6
CA		22	22	22
SNE		2	2	2
<b>TOTAL</b>		<b>63</b>	<b>65</b>	<b>68</b>

TA – Temporary Agent

AD – Administrator

AST – Assistant

CA – Contract Agent

SNE – Seconded National Expert

Source: *The Proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology (3.2.3. Estimated impact on EIT's human resources of an administrative nature) taking into account the changes to the Establishment Plan as adopted and amended by the EIT Governing Board.*

<sup>8</sup> The estimate of human resources requirements for 2017 and 2018 are indicative and shall be revised to take into account the agreed EIT Multi-annual Staff Policy Plan for 2016-2018. The EIT is currently analysing the human resource needs to fulfil its mandate and may consider requesting a frontloading of the new posts in MSPP 2017-2019.

## Annex III: Future outlook for existing EIT Knowledge and Innovation Communities (KICs)

### KICs designated in 2009

- Future outlook 2016-2018: **Climate-KIC**
- Future outlook 2016-2018: **EIT Digital**
- Future outlook 2016-2018: **KIC InnoEnergy**

### KICs designated in 2014

- Future outlook 2016-2018: **EIT Health**
- Future outlook 2016-2018: **EIT Raw Materials**

**Disclaimer:** *The information on EIT Health and EIT Raw Materials is solely based on the information included in their Proposals, which was the basis for these KICs' designation by the EIT Governing Board in December 2014. Moreover, throughout 2015, the two KICs will be setting up their legal and operational structures. Updated information on EIT Health and EIT Raw Materials will be provided in the next TWP covering the period 2017-2019.*

**N.B.** *The funding needs and figures provided by KICs reflect only their current assessment and are subject to future revision in light of the resources available and the results of the competitive funding process.*



## **Future Outlook 2016-2018: Climate-KIC**

All of the KICs have been created to innovate, to stimulate growth, competitiveness and social well-being in the 21<sup>st</sup> century. Cross-sectorial relationships and capacity are crucial to create jobs and wealth for Europe. Climate-KIC's mission is doubly challenging. The KIC must provide the people, products and leadership to address the challenge of global climate change: (a) to innovate for transformative climate change impact and (b) deliver socio-economic benefit for Europe through harnessing the opportunities associated with developing a low-carbon, green economy. The KIC must be able to demonstrate climate benefit and economic impact of the activities we undertake and of the investments we make.

Against this backdrop, the KIC is at a critical juncture this decade in meeting this century's climate challenges. It is clear we risk unstable climate impact if the KIC does not soon act decisively. Yet it is still unclear on the best options to pursue, whilst knowing that transitions at scale will take time to deploy and deliver impact. Climate-KIC's activities must have clear strategic perspective on climate impact and to couple these to effective scaling models and mechanisms such that this impact can be replicated on a pan-European and global scale. The KIC plans this on a 4-stage escalating scale: i) starting from the activities in which the KIC invests; through ii) an active catalyst phase, where the KIC draws on its own investments, experience and community to leverage significant new resources; to iii) open collaboration, where the KIC collaborates with other organisations that want to adopt Climate-KIC programmes in order to maximise their climate impact; and finally to iv) inspiration for change, where the KIC inspires individuals and organisations beyond any actively managed relationships.

The KIC's approach is inherently forward looking, coupling a sense of urgency regarding near term action, with a longer term strategic vision of how Climate-KIC must be a leading European institution with global impact. The KIC has honed this perspective in the 2015 Business Plan and its multiannual strategy for the period 2015-2018. However, this strategy sits squarely in the context of meeting climate change challenges that will become more acute towards 2030 and beyond.

### *Collaborating with the EIT and KICs*

The three original KICs (Climate-KIC, KIC InnoEnergy and the EIT Digital) are at similar levels of maturity and now in a position to emphasize collaboration and work with the EIT to 'fast-track' the five new KICs (designated in 2014, 2016 and 2018) - by sharing learnings gained since our inception in 2010. Climate-KIC sees collaborating with the EIT and the KIC family as an important part of expanding its interdisciplinary reach and augmenting our socio-economic impact across Europe. The systemic nature of climate issues means that the KIC has a broad focus on technical and socio-economic agenda relevant to other KICs, current and in the pipeline.

Knowledge Management and Open Innovation are areas crucial to Climate-KIC's future development and of strategic importance to the EIT and the other KICs. The KIC has defined these as priorities for its Integrated Capacity Development portfolio and is keen to work with the other KICs in these areas. The KIC will also continue collaboration on e-learning and the certified entrepreneur/innovator programme.

The KIC will also run joint Master-classes for start-ups with EIT Digital and initiatives to link its entrepreneurship activities with the other KICs. This portfolio, and management and governance experience, will be available to others. Within the TWP timeline, the KIC would like to foster closer collaboration on core thematic issues, important to climate change, yet straddling more than one KIC (e.g. smart city systems, big data and its impact, mobility, the links between climate and health). EIT and the KICs will be judged on how well we all perform together on these meeting systemic challenges, rather than individual excellence.

### *Consolidation and Growth of Current KICs*

Climate-KIC's vision – to create opportunities for innovators to address climate change and shape the world's next economy – is at the heart of Europe's priorities for the 2014-2020 framework, where action

to address climate change and stimulate the low-carbon economy will see approx. 20% of the €1 trillion budget for this period earmarked for this agenda. This commitment underpins the EU's sectorial 'roadmap for a competitive low carbon economy in 2050'. Moreover, it is estimated that the global market for cleantech is approx. \$2 trillion and set to double within 10 years. Climate-KIC must help Europe compete for this market.

These commitments set a clear context for action in Europe and present an unprecedented opportunity for Climate-KIC to develop and deliver impact to meet demand across a broad range of European programmes. These span technology innovation, competitiveness, regional development, environment and land use and even in support of the EU's priorities beyond Europe through its development and external action agendas. The KIC will develop and strengthen relationships in Europe to ensure that it plays a leading role in supporting these programmes, as well as develop opportunities for its community and innovation pipeline.

### Strategy for Growth and Impact

To date, Climate-KIC has focused on coordinating EIT and KIC partner contributions to fund its activities. Only limited efforts have been made to involve Climate-KIC in developing wider revenue opportunities. In the 2015 Business Plan and multiannual strategy, the KIC sets out an ambitious programme to move to an enterprise business model targeting more than €20m revenue by the end of 2018. This programme encompasses:

- Developing Climate-KIC's governance, legal structure and documents to: enable revenue diversification; improve governance, addressing historic conflicts of interest; and to simplify agreement structure;
- Ensuring the smooth operation of the KIC's investment activities in innovation projects, start-ups and SMEs, and further develop the portfolio of revenue streams for Climate-KIC;
- Facilitating a climate Investment Fund and/or other opportunities, following 2014 options appraisal;
- Business process optimisation to ensure processes are fit-for-purpose.

### KIC Activities – H2020 and Thematic Alignment

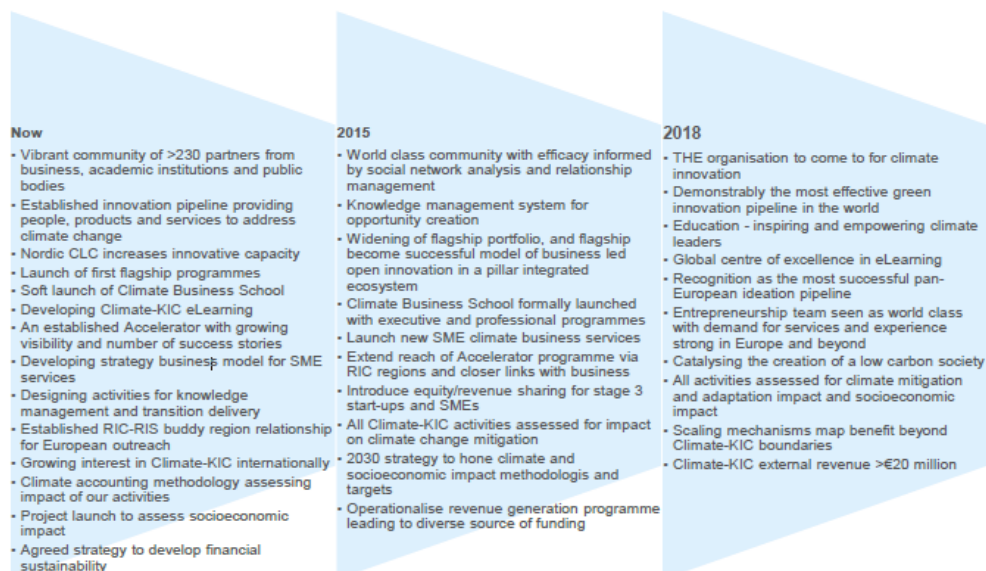
Horizon 2020, with an €80b budget, is pivotal in the EU's drive to link research and innovation to creating new growth and jobs in Europe. The EIT/KIC budget falls within the innovation-rich Horizon 2020 programme. However, Climate-KIC will expand activities into less familiar territory rich in low-carbon commitment from the EU, e.g. the LIFE/LIFE+ programme managed by EASME, Structural Funding for Regional Development managed through DG REGIO and its agencies, DG Enterprise's COSME programme and tuning the KIC's offering to meet the needs of DG DEVCO's EuropeAid programme and the External Action Service. Climate-KIC is already Europe's largest public-private partnership focussed on climate change and has impressive pan-European capability, skills, know-how and reputation in managing climate innovation. Climate-KIC believes that it should be a natural agency for the EU to choose to increase its efforts to tackle climate change through innovation.

Enhancing Stakeholder Engagement: Third Country & International Organisations and Relations with Institutional & Knowledge Triangle Stakeholders

Climate change is a global issue and Climate-KIC's mission is inherently global. The climate negotiations in Paris in December 2015 (COP21) will be a litmus test for global resolve. Meanwhile, the UN will secure a successor framework for the Millennium Development Goals; these will relate to the KIC's mission. Climate-KIC needs to be visible in these forums and seen as Europe's exemplar for climate change and green economic development. In 2014 the KIC began to pilot projects for which Climate-KIC could bid and deliver outside Europe. Climate-KIC has partners with strong international relationships. The KIC is now developing clear value propositions with partners able to deliver bids that: a) meet client requirements, yet aligned with Climate-KIC's mission; b) return value to Climate-KIC and partners; and c) enhance EIT/KIC's reputation and profile alongside that of partners. Climate-KIC will focus on developing relationships with organisations that have the potential to lead to major funding opportunities, related to those that the KIC is targeting in Europe, within the UN family, multinational banking organisations and major international donors. The KIC aims in 2015 to bid successfully for at least one major international project. Climate-KIC is developing the relationships and programme visibility with these organisations in 2015 and building relationships with international multiplier organisations (e.g. C40, ICLEI, WBCSD, WRI) via our COP21 programme.

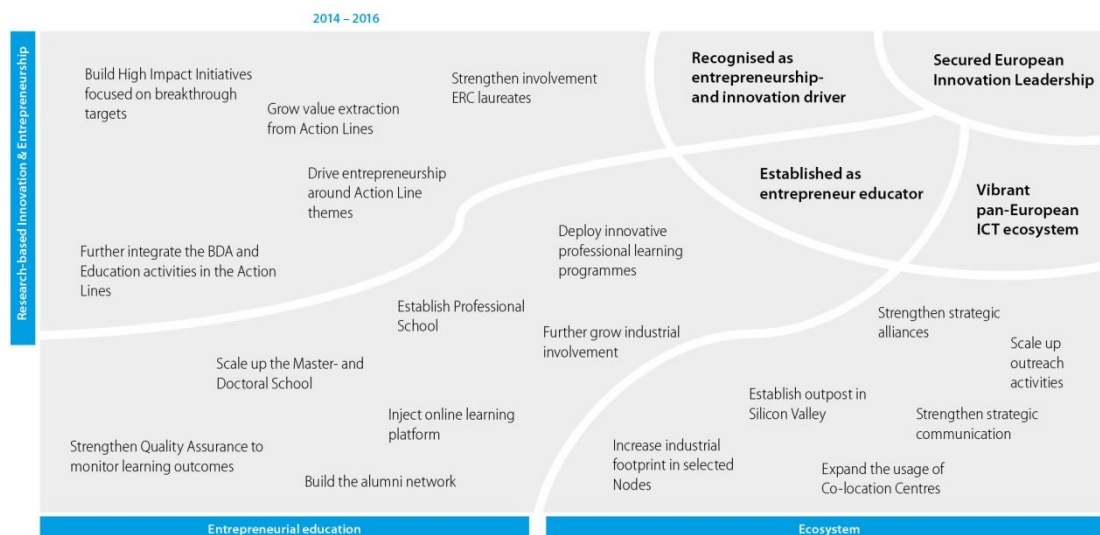
Co-operation with Other EU, National and Regional Initiatives

Developing strong, integrated relationships across the European Commission's DGs is crucial to meeting Europe's climate change and sustainable development goals. The KIC is targeting DG CLIMA, DG R&I, DG EAC, DG ENER, DG REGIO & CoR in Europe. Climate-KIC will work with the EEAS/DG DEVCO to align its outreach beyond Europe. In parallel, the KIC is forging alliances with ESA, EEA, EIB, JRC, EASME and other networks as ERRIN. The KIC will work with EIT to prioritise ensuring that MEPs and Commissioner's understand the importance of the EIT/Climate-KIC response to innovating for climate impact. The KIC's USP is (a) the pan-European and multi-dimensional nature of its network and expertise and (b) its ability to be an 'honest broker' in developing partnerships able to develop and deliver scalable solutions. This harnesses the full range of Climate-KIC's education, innovation and entrepreneurship portfolios and will be delivered through the programme priorities 2015-2018 highlighted below.



## Future outlook 2016–2018: EIT Digital

Looking into 2016, 2017 and 2018, EIT Digital will execute and expand its mission of driving European innovation and education in ICT for economic growth and quality of life – pursuing its vision of becoming the leading European organization in ICT innovation and education and following the path laid out in the Strategic Innovation Agenda.



### Ecosystem

EIT Digital first focus is the strengthening and expansion of its vibrant pan-European ICT Ecosystem. The EIT Digital Co-Location Centres (CLCs) become world-class innovation hotspots characterised by frequent encounters between people from academia, research centres, and industry working together in the spirit of open innovation. In the mid-term, the majority of the Action Line Activities will be carried out in CLCs, bringing together diverse and multidisciplinary participants such as researchers, professors, students, entrepreneurs, investors and business developers.

Building on a strong set of core Nodes, EIT Digital expands its influence into Europe and the world. Outreach Activities in the EU-28 countries outside the ones directly involved in the KIC are centred on the Action Lines and will be scaled up. The focus lies on the implementation of the EIT Regional Innovation Schemes (RIS) and the stimulation of regional Digital Innovation Centres. A hub in Silicon Valley (USA) has been set up to connect the EIT Digital Ecosystem to the local ecosystem and to build a bridge that facilitates mobility of innovators, joint work on selected initiatives, and access to finance.

### Entrepreneurial Education

The second focus is to deliver world-class entrepreneurial talents via blended education in the Master, Doctoral and Professional Schools. The Master School educates tomorrow's ICT innovators and entrepreneurs and will be scaled up to an annual total of 1000 students. The Doctoral School delivers tomorrow's ICT leaders and will be scaled up to an annual total of 300 students. The Professional School facilitates life-long learning at the frontier of ICT innovation and the EIT Digital online learning platforms will be brought to fully operational status, delivering a significant part of the Master School programmes. EIT Digital designs and orchestrates a cross-KIC platform for Massive Open Online Courses (MOOC), in collaboration with Climate-KIC and KIC InnoEnergy, gradually engaging the newly-established KICs as well. For instance, there are clear synergies to be expected with the Healthy and Active Ageing KIC. In the mid-term, over 400 professionals per year will be trained in blended professional learning programmes.

### Research-driven Innovation and Entrepreneurship

The third focus is for the KIC to be recognized, based on its results and impact, as a major entrepreneurship and innovation driver in Europe. To that end, High Impact Initiatives on breakthrough targets have been set up and will be executed in the CLCs. The Action Line driven innovation funnel delivers research results, technology and start-ups into world markets. The innovation funnel is filled (e.g.) by the Idea Challenge and catalysed by the Business Development Accelerator (BDA). Business Communities in the Action Lines are being established to connect suppliers of Action Line innovation with buyers of innovation. In the mid-term, an annual number of over 100 European start-ups and SMEs that are either created by the partnership or linked to the partnership will be involved in innovation projects. Finally, the involvement of European Research Council (ERC) laureates with the KIC will be further strengthened, with over 10 ERC laureates already directly connected to our innovation projects, 20 ERC laureates teaching at the Master School, and 10 giving keynotes at the Summer Schools.

### Future Outlook 2016-2018: KIC InnoEnergy

Several structural changes are impacting the European Energy system:

- **Generation overcapacity:** the installed and planned generation which represents already more than 60% of the peak load, mainly due to (1) support actions for renewables and a political objective, renewed, of reaching 27% of renewables in 2030, and (2) a decrease in energy consumption due to the economic crisis and to the delocalisation of key energy intensive industries to the US (because of cheap hydrocarbon prices due to the shale gas revolution).
- **Too many “interventions”:** the regulation based support actions to all and every technology of the energy system create an unpredictable and very untransparent energy system. Currently, we suffer 700 different interventions in Europe.
- **A local approach to a global problem:** Each Member State is trying to solve its own problems locally (i.e. Energiewende) where the problem is obviously global.
- **An unaffordable price of energy both for households and for the industry:** the price of electricity is twice as expensive compared to the US, and the gas is almost three times.

Within this challenging context, the vision of KIC InnoEnergy is to be the leading engine for innovation and entrepreneurship in the field of sustainable energy. The reconfirmed strategy in April 2014, the results obtained so far, the predictable financial framework for 2014-2020 and its positioning in the SET Plan discussions and programs, allows KIC InnoEnergy to present a continuity in its strategy, with some adjustments to increase the efficiency and excellence in the operations with a view to expand the innovation reach in areas to be developed and deployed in the next few years (i.e. Venture Capital Community, Impact modelling, the BoostWay®, the Market Creator™, continuous benchmarking, outreach). KIC InnoEnergy has established multi-year commitments with its partners in the segments consuming most of the budget between two and four years, which leads to the high predictability of what will be executed between 2016 and 2018. Looking into the details of KIC InnoEnergy:

- On education: the Masters programmes are two-year engagements with the entering intake, the PhD School is at least three years, whilst the Executive programmes are between one and two years. These programmes will evolve based on lessons learnt, but will not change radically.
- On Innovation projects: the length of the signed contracts is on average three years, which gives stability and predictability to project partners. The roadmaps per thematic field are reassessed every

two years, but their evolution is not disruptive since the energy challenges do not change radically overnight.

- On business creation: the ventures entering the Highway® for an average time span of two years, and then they are candidate for the BoostWay® and the Venture Capital Community. The business model is stable.

The industrial plan of KIC InnoEnergy for the near future is shared through the subsequent graphics, the targets pursued (in terms of contribution to the EIT Scoreboard) and the means to achieve them.

Targets pursued for the next four years, and how they contribute to the EIT Scoreboard:

			BP2015	2016 guidance	2017 guidance	2018 guidance	Explicit Objectives for 2017 (as per GA2009)
Talent	Attractiveness of Education programs/intake	# total new seats covered (per intake), with minimum 1/8 ratio accepted/eligible applicants (proxy EIT.01)	380	450 (a)	500 (a)	500 (a)	not explicit then
	Number of graduates	Number of graduates (incremental) (EIT.02)	145	205 (a)	342 (a)	400 (a)	433
New Ventures	Number of business ideas incubated (incremental)	# new ventures being incubated (incremental) (EIT.03)	54	68	75	80	not explicit then
	Number of start-ups created	# new ventures created (incremental) (EIT.04)	19	23	30	30	15
Growth of Existing Business	Potential growth	# Knowledge Transfer & adoptions (incremental) (EIT.05)	12	17	26	30	27
		# new or improved product/services/processes launched into the market (incremental) (EIT.06)	15	25	27	30	
		# patents filled per patenting (incremental)	18	21	27	30	

Table 18 - KIC InnoEnergy's contribution to the EIT Scoreboard 2015-2018

This table above shows that KIC InnoEnergy has already proven the concept, and is in fact ahead of the plan regarding most KPIs a bit more than halfway (2015) through the seven-year plan initially set out. The means to achieve those targets and the split of investment per business line are planned as follows:

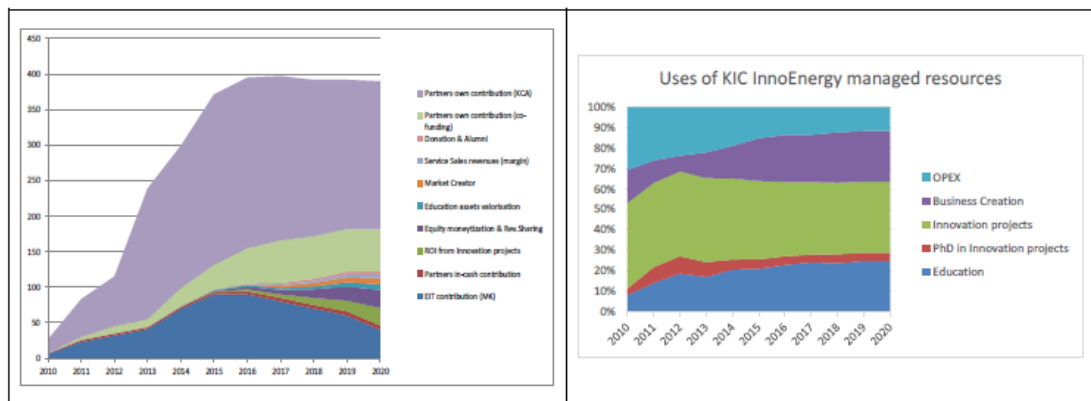


Table 19 - All sources of KIC InnoEnergy plan for 2010-2020 (1\$ table); and uses of KIC InnoEnergy managed resources (not KCA, not co-funding) 2010 to 2020.

Some key messages on this prospective sourcing plan for the permanent regime (400M€ of annual business plan, 2016 onwards) include:

- The partners own contribution is high: EUR 300 M. To put this amount into perspective, the current industrial partners' annual total technology investments (annual technology CAPEX and R&D budgets) is currently EUR 61 B. The EUR 300 M own contribution represents 0,5% of this total technology investment, which proves the feasibility of that leverage.

- Sources generated by the KIC InnoEnergy business model will represent, in the long run, 20-25% of the total budget.
- The EIT contribution remains substantial, as expressed previously, for some activities like education and partially business creation, but the ratio decreases from 25% over the total budget to around 10%.

The table shows the total expected amounts of necessary EIT investment to implement KIC InnoEnergy's multiannual industrial plan.

M€	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>EIT contribution</b>	6,2	23	32	41	70	90	90	80	70	60	40

Table 20- Expected EIT contribution to KIC InnoEnergy industrial plan 2010 - 2020

### Cooperation with Other EU, National and Regional Initiatives

KIC InnoEnergy is part of the European innovation landscape on sustainable energy, complementing the other existing mechanisms (e.g. ETPs, JTIs, EIS, etc.). As such when KIC InnoEnergy was created, the complementarities and synergies were pre-identified at the design phase, and evolved when H2020 and the RIS schemes for smart specialization were fully defined. In the following table the KIC maps the strategic positioning that is currently developing, the existing contracts and the specific objectives for 2016-2018, vis-à-vis the Commission services, and the National and Regional ones in the geographies where the KIC is present.

	Strategic Positioning	Current contracts/agreements	Specific Targets 2016-2018
Commission services	DG EAC	KIC is a member of the SET Plan Education roadmap group (leading 6 groups)	contract Pathways (Cofund)
	DG R&D&I	KIC InnoEnergy is a member of the SET Plan integrated Roadmap (Member of Coordination Group and member in 3 Working groups)	contract Magrenov
	JRC		Members of JRC EIT Board
	DG ENER		contract Insight-E
	ETP/EII/JTI/EERA	See the strategic positioning in the charter below	Observers in EERA Exec Committee
	DG REGIO	Agent of RIS3 for topics 1 (R&D), 4 (Low Carbon Economy) and 11 (Education)	MOU with Malopolska and Pommern Region
	DG Enter		
	DG Connect, DG Environ.		
	European Investment Fund		
Nat/Regional	Poland	MOU with Malopolska and Pommern	NCBR (from Ministry of Economy)
	Germany	KIC InnoEnergy is establishing its positioning as a key player in the national and regional ecosystems, leveraging the uniqueness of the knowledge triangle	MWK (for Education)
	Sweden		Vinnova, Swegrid
	France		Poles de compétitivité
	Spain		CDTI

Table 21 – Strategic positioning of KIC InnoEnergy

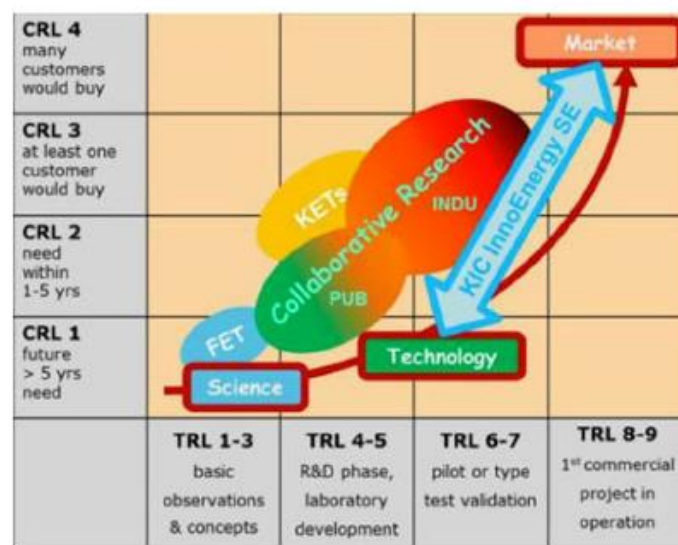
For example, KIC InnoEnergy cooperates with DG Energy (ENER), responsible together with DG Research and Innovation (RTD), for the core societal challenge of KIC InnoEnergy, in the following manner:

The KIC's strategic positioning is framed by the SET Plan, where it has cooperated with all the constituencies (DG R&D, JRC, DG ENER, JTIs, ETPs, EIS, EERA to draw the 2014-2020 Strategic Energy Technology Plan. The SET Plan integrated roadmap will define the key areas of investment for the European Energy players (public and private) for the next 7 years.

The KIC is currently implementing a contract (Insight-E), the customer being DG ENER, where KIC InnoEnergy, as a partner within the consortium, responds to DG ENER challenges, and proposes topics from other geographies (i.e. USA, Korea) that might be of interest for the European energy development.

The specific targets for 2016-2018 with DG ENER are: (1) to support them in using KIC InnoEnergy IRL (Innovation Readiness Level) process and tool for the management of their investments; (2) to expose them to the competence mapping which the KIC continuously updates and that identifies the top 10 players in a given set of technologies; and (3) to expose them to the KIC's Impact modelling, where the foreseeable economic impact in LCOE of a given technology is detailed.

With the European Commission's DG R&I, KIC InnoEnergy has somewhat won its position in the integration chain in TRL 6-8 and CRL 3-4. The link between the results from applied research and the market uptake, as the graphic shows, is missing. The strategy going forward is to reinforce that position, and measure the leverage effect that the KIC has in the Innovation Energy European ecosystem.



Graph 4- KIC InnoEnergy in the European instruments' context

With DG Regio, since 2012 KIC InnoEnergy has contributed to framing the RIS (Regional Innovation Scheme) by answering the questions from policy makers on how it should be managed in order to create the highest impact possible. In 2014, the KIC has signed agreements with two regions (Malopolska, Pommern) and in successive years it plans to sign four additional ones. The scope of the agreement, as substantiated in Operational Programs, is that KIC InnoEnergy co-creates and co-manages with Managing Authorities innovation activities that contribute to Chapter 4 (Low Carbon Economy) while leveraging the knowledge triangle approach. On top of this, KIC InnoEnergy will continue with multiple awareness activities in EU-12 supporting regions becoming excellent nodes of innovation.

#### Future Outlook 2016-2018: EIT Health

EIT Health's mission is to promote entrepreneurship and develop innovations in healthy living and active ageing, providing Europe with new opportunities and resources. It will enable citizens to lead healthier and more productive lives by delivering products, services and concepts that will improve quality of life and contribute to the sustainability of healthcare across Europe. EIT Health is a strong, diverse and balanced partnership of best-in-class organisations in education, research, technology, business creation and corporate and social innovation. InnoStars – a unique concept for widening participation and outreach across Europe – will establish new ties for innovation and growth. It will foster cooperation and unlock Europe's innovation and growth potential, developing and retaining the best talents, creating high-quality jobs and boosting the global competitiveness of European industry.



The EIT Health partnership, consisting of six co-location centres (CLCs) and the InnoStars cluster, brings together the change makers in all relevant sectors and fields. It is well positioned to make the maximum impact on the challenges outlined above. The highly committed partnership will conceive, develop, trial and adopt new market-oriented approaches to innovation. By utilising digital health, enabling technologies, big data, cloud computing and security-technologies, embracing health economic modelling, and leveraging talents and education, it will overcome the barriers to innovation, address fragmentation and improve the quality of life of citizens and patients. This will boost job creation and the success of European industry at home and abroad.

The EIT Health activities will be implemented through three main instruments: EIT Health Projects, EIT Health Accelerator and EIT Health Campus. Wider participation and outreach will be facilitated through the InnoStars clusters. A comprehensive communication strategy will be developed to support outreach and dissemination, establish a strong EIT Health identity, and promote the EIT brand.

**EIT Health Projects** will build on multidisciplinary collaboration and will address and contribute to at least one challenge and one business objective. Project types will include: i) Innovation by Ideas: collaborative projects selected in competitive calls that are “solution-driven” i.e. a potential solution has been identified that either capitalises on an opportunity or addresses a specific problem presented by demographic ageing of the population; ii) Innovation by Design: collaborative projects that are “needs-driven” and start from a recognised market need or societal problem; iii) Head Start: fast-track project opportunities with focus on SMEs and start-ups, funded to rapidly initiate activities.

**EIT Health Accelerator** will support innovation and business creation. It will endeavour to transform the innovation process by bridging fragmented innovation ecosystems and by offering support and services to access relevant markets. To increase the commercialisation of European research outcomes, EIT Health will provide critical mass for the demonstration of innovative healthcare solutions, enable co-creation throughout the European innovation landscape, and catalyse private equity access.

**EIT Health Campus** will become a brand for excellence in education, and will integrate closely with the EIT Health Accelerator to support entrepreneurs working in multi-disciplinary teams. It will join the knowledge base of European universities, global companies and progressive public organisations to offer EIT-branded education that will accelerate health innovation and entrepreneurship across Europe. The EIT Health Campus will offer a KIC education label which demonstrates multi-disciplinarity and high quality.

Europe’s health and economic challenges are particularly acute in less-developed regions. With the twin goals of leveraging diversity and engaging less developed regions, EIT Health has added the “InnoStars” to its network. The **InnoStars** are regional clusters of EIT Health Associate Partners representing industry, academia, and health providers linked to eight regions (seven of which are defined as convergence regions) in six countries - Croatia, Hungary, Poland, Portugal, Slovenia, and Wales. The approach addresses the Regional Innovation Scheme (RIS) and conceptually goes beyond it. InnoStars are fully integrated into EIT Health, ensuring wider participation and outreach across the European innovation landscape.

EIT Health has identified 3 overarching challenges, each aiming two high priority business objectives:

### **Challenge 1: Promote Healthy Living**

**Business objective 1.1: Self-management of health** centres on enabling individuals and their families to take charge of their own health through detecting early signs of disease or functional loss that may impact upon their health later in life, and better understanding and monitor the effects of treatment.

**Business objective 1.2: Lifestyle intervention.** The second business objective is to develop products, services and citizen-oriented strategies to encourage positive lifestyle changes, including better nutrition, reduced

tobacco and alcohol consumption, greater physical activity, stress management, and wider leisure and social networks.

### **Challenge 2: Support Active Ageing**

**Business objective 2.1: Workplace interventions.** This objective encompasses health promotion and disease prevention to improve employability. It aims to optimise the physical working environment and work experience with the use of assistive technologies to allow older citizens to work safely for longer. An additional goal is to allow older employees to be retained for longer and pass on their experience and know-how to younger employees. Flexible work arrangements and modified pension schemes can provide a gradual transition from work to retirement to allow this.

**Business objective 2.2: Overcoming functional loss.** To deliver solutions for age-related metabolic, motor and cognitive dysfunctions at home and at work, in urban and rural environments and in healthcare settings.

### **Challenge 3: Improve Healthcare**

**Business objective 3.1: Improving healthcare systems.** Successful health interventions require the integration of service delivery across different care modalities (primary, secondary, rehabilitation care, long-term) and sectors (social, health, informal etc.). This is particularly important in light of the growing number of citizens living with multiple chronic diseases. This business objective aims to establish a holistic continuum of care solution in home and clinical settings.

**Business objective 3.2: Treating and managing chronic diseases.** This business objective aims to develop methods, solutions and concepts for improved treatment and management of chronic diseases.

Tackling the challenges described above will require a cross-sector approach. The three most important cross-challenges are: (A) removing barriers to innovation, (B) leveraging education and talent creation, (C) leveraging enabling technologies and exploiting (big-)data.

The following table presents the expected Key Performance Indicators for the years 2016-2018, as foreseen in the initial proposal:

Dimension	Key Performance Indicators	2016	2017	2018
<b>Education</b>	Number of new graduates	650	1,050	1,400
	Number of health professionals and executives trained	750	1,600	3,600
	Number of applications for education / training programmes	4,700	5,800	8,100
	Number of exchanges (of at least 8 weeks) realised between industry / public sector and academia	200	500	750
	Number of exchanges between students or academy-industry (cross-CLCs/InnoStars)	225	550	800
	Number of open courses offered to the public (MOOCs)	30	30	40
	Number of enrolments and completions per open course (MOOC)	10,000	20,000	25,000
<b>Business / Innovation</b>	Number of business ideas incubated	80	110	140
	Number of start-ups of spin-offs	40	55	70
	Number of new or improved services/products /processes launched	20	50	90
	Knowledge transfers / adoptions* (of which cross-CLCs/InnoStars)	30 (20)	50 (40)	70 (60)
	Change in number of employees in KIC supported SMEs	100	250	300
	Capital attracted to InnoLife SMEs	12,000,000	15,000,000	30,000,000
<b>Communication / Dissemination</b>	Website metrics (page views / year)	150,000	190,000	230,000
	Social media impact	30,000	37,500	47,000
	Number and audience of events	100 / 10,000	125 / 12,500	160 / 15,625
	Press coverage	1,000	1,250	1,600
	Overall cumulated media audience (print & online)	20,000,000	20,000,000	31,250,000

## Future Outlook 2016-2018: EIT Raw Materials

### Vision & Mission

The EIT Raw Materials' vision is to develop raw materials into a major strength for Europe. It foresees a Europe that bases its industrial strength on a cost-efficient, secure, sustainable supply and use of raw materials (RM). In this vision, products, processes and solutions are geared towards the closure of highly interconnected material cycles. These dynamic and fast changing material cycles will attract new investment, enhanced innovation capacity for competitiveness and the interest of talented, skilled, entrepreneurial people. Society will become aware of the value of RM, and the sector will be perceived as innovative and attractive. The vision of the EIT Raw Materials foresees an extensive systemic change together with innovation in technologies, education and society.

The vision requires the development of a systemic link between the optimal use of primary and secondary resources complemented by a new generation of skilled people entering industry, universities and research. This development will build on the current strengths of the EU RM sector with its leading capabilities and technologies in exploration, mining, processing and metallurgy of RM from primary and secondary sources. It will benefit from world class competence in the design of tools and equipment, smart products and services, end-of-life product management and recycling. Vital to achieve the vision will be world class learning and education. The strength and complementarity of the consortium will contribute to

realising this ambitious vision for Europe, as expressed in its mission statement: to boost the competitiveness, growth and attractiveness of the European raw materials sector via radical innovation and entrepreneurship.

### Strategic Objectives

To fulfil the mission new ways of thinking will be required, as summarised in three strategic objectives. These objectives are complementary and they closely interact with each other. They provide a cross-cutting approach between existing expertise silos and will stimulate cross-fertilisation and increased networking between the different stakeholders of the industrial value chain. Innovative ideas will emerge at the crossroads of these interactions. Whereas current thinking tends to look at RM challenges in a segmented manner and with a short-term horizon, a paradigm shift is required towards systemic thinking aimed at the long-term availability and sustainability of RM. This paradigm shift will be implemented through the three strategic objectives:

1. **Securing raw materials supply:** the EIT Raw Materials must raise awareness amongst stakeholders of the diversity and the potential of RM sources in Europe. A deeper understanding of RM sources and of material use will provide a rigorous basis to develop new opportunities. A range of options must be developed to enhance economically viable and sustainable RM supply. Mining must be strengthened in Europe including in the Arctic and from the sea bed. Materials supply from secondary sources must be achieved through innovations in recycling of end-of-life products, extraction from industrial residues, tailings, urban and landfill mining. The involvement of the EIT Raw Materials partners in the global system of trade and governance of RM must be reinforced. Collaboration across the whole industrial value chain will be enhanced so that optimal solutions can be developed to secure RM for industry and society. Digital technologies will enable the increase of resource and production efficiency.
2. **Designing solutions:** at the concept stage, many key decisions are taken which have very significant and lasting consequences from a RM perspective. The future approach towards the design of solutions must address materials innovation, products, product-service systems, processes and wider systems across the whole life-cycle in a systemic way. The KIC will use powerful multi-scale modelling and decision-making support tools, based on big data, to offer new opportunities in designing smarter solutions.
3. **Closing material loops:** A radical shift is required from linear to circular thinking. End-of-life products must be considered as a resource for another cycle, while losses and stocks of unused materials must be minimised everywhere along the value chain. In addition, the interactions between materials must be considered to define the best circular solution from a systemic standpoint. Awareness of the benefits of closing material loops must be raised amongst students, industry and society.

### Goals

Vision, mission and strategic objectives lead to the goals that guide the EIT Raw Materials activities. The goals are:

- Creating and developing new game changing businesses across Europe;
- Boosting the existing RM sector through the market introduction of new materials, investment in new production and processing units, system integration and the setting up of new partnerships

across the value chain using innovative Information and Communication Technologies (ICT) solutions and smart product design;

- Creating new entrepreneurial education approaches addressing the development needs of graduates and professionals in the RM sector to support the effective transformation of ideas into businesses and contribute to a resource and cost-efficient industry.

### Scope

The EIT Raw Materials will focus on metal and mineral RM. Bio-based and polymer materials will be covered in view of their substitution potential. Other materials will also be considered in the context of multi-material product recycling. As a result of the broad membership base, the will have the flexibility to address critical as well as non-critical RM.

The EIT Raw Materials has chosen four Focus Markets on which it will concentrate its initial activities: ICT, energy supply, machinery & equipment, and mobility. These markets respond to important societal needs and involve products which typically have high material intensity and face challenges in securing RM supply. On the other hand, these markets provide solutions for the RM sector making it one of their important clients. The four markets were also selected because they have a high strategic importance for Europe and a significant potential for job creation and exports to international markets. The material requirements of these markets are complex, and many materials are defined as critical by the EU. The four markets present opportunities for new innovations and fruitful cooperation with other KICs. The Focus Markets will be reviewed on an annual basis and additional markets, such as the construction market, may be added as the KIC develops.

The EIT Raw Materials has defined six Knowledge & Innovation Themes. These six themes guide the interactions between the various actors of the Knowledge Triangle across the whole value chain. Advances in a range of technologies in the value chain, together with developments in natural sciences, engineering and economic disciplines, will be combined to create innovative solutions. The six themes, which may evolve over time, are:

- Exploration and RM resource assessment;
- Mining in challenging environments;
- Increased resource efficiency in mineral and metallurgical processes;
- Recycling and material chain optimisation for End-of-Life products;
- Substitution of critical and toxic materials in products and for optimised performance;
- Design of products and services for the circular economy.

**Outputs** *(based on estimations from the original budget presented in the proposal of EIT Raw Materials, December 2014)*

- Support and develop over 40 incubated ideas by 2018
- By 2018 create 16 start-ups
- More than 1000 Masters and PhD EIT Label graduates by 2018

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