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WHAT IS AN EIT KNOWLEDGE AND INNOVATION COMMUNITY (KIC)?

The European Institute of Innovation and Technology (EIT) has been strengthening Europe's capacity to innovate since 2008. With a network of 3 000 partners and over 60 innovation hubs spanning the continent, the EIT is the largest innovation ecosystem of its kind.

The Institute supports dynamic pan-European partnerships, **EIT Knowledge and Innovation Communities (KICs)**, composed of leading companies, research labs and universities each dedicated to solving a pressing global challenge, from climate change to health, to renewable energy. To date, the EIT has set up nine KICs, the newest one being EIT Culture & Creativity.

KICs foster innovation by working across the entire innovation chain: they design unique education courses that combine technical and entrepreneurial skills, support innovation-driven research projects, and offer business and acceleration services, enabling European innovators and entrepreneurs to connect and cooperate.

WHY SHOULD WE INVEST IN CULTURAL AND CREATIVE SECTORS AND INDUSTRIES?

Cultural and Creative Sectors and Industries (CCSI) employ [7.6 million people in the EU \(2019\)](#). They have unique innovation potential, display our diversity globally and promote social cohesion in a range of areas, such as architecture, cultural heritage, design, fashion, film, music, publishing, performing arts, and video games.

However, CCSI have lost approximately [31% of their revenue \(EUR 199 billion\)](#) in the first year of the COVID-19 pandemic alone and face many structural issues: economic disruption, sector fragmentation, a shortage of entrepreneurship and cross-cutting skills, monetisation challenges, and precariousness. New globalised market and societal needs, rapid technological advances and digitalisation are also driving change in this sector. EIT Culture & Creativity will help CCSI recover and become more competitive, sustainable and productive.

WHAT WILL EIT CULTURE & CREATIVITY DO?

By uniting CCSI business entities, higher education organisations and research centres, EIT Culture & Creativity will help strengthen their resiliency and innovation potential. The new KIC will train the sector's future entrepreneurs, power its cutting-edge ventures and deliver innovative solutions to the challenges faced. It will bridge regional innovation gaps and harness the power of these sectors, as key drivers of economic growth and job creation, to support Europe's cultural leadership.

In addition, EIT Culture & Creativity will introduce systemic investment in CCSI, to (1) connect innovation value chains at the local, regional, national, and EU levels; (2) break down barriers to innovation across sectors and disciplines; and (3) equip the next generation of innovators with much-needed entrepreneurial skills.

WHAT ARE THE NEXT STEPS?

To facilitate EIT Culture & Creativity's establishment, the EIT will provide the KIC with a start-up grant of up to EUR 6 million during the launch phase, lasting until December 2023. The first year of full operations is expected to start on 1 January 2024, with EIT funding allocated to the KIC based on its performance and work plan assessment. The new KIC can expect a funding rate of up to 100% in years 1-4, gradually decreasing in years 5-15. Meanwhile, the KIC is expected to attract investment from other private and public sources too, to ultimately reach financial sustainability in the long-term.

