eit 2018 Call for Proposals

Framework of Guidance for the EIT's 2018 Call for Proposals
for EIT Manufacturing and EIT Urban Mobility

Join the EIT Community & boost innovation across Europe with us!

The EIT is a body of the European Union

eit.europa.eu

Contents

A call for proposals: could you start a new EIT Innovation Community?

If you are reading this document, you are probably among Europe's great innovators and entrepreneurs, and want to make a real difference in the lives of people in the EU and beyond. We at the European Institute of Innovation and Technology (EIT) proactively support such change.

Our vision at the EIT is to become the leading European initiative that empowers innovators and entrepreneurs like you to develop world-class solutions to societal challenges and create growth and skilled jobs. We are passionate about bringing Europe's innovators together to create a better and more sustainable future for citizens – both economically and socially.

Through our Innovation Communities (also known as KICs, or Knowledge and Innovation Communities), we strengthen cooperation among businesses (including SMEs), higher education institutions and research organisations, form dynamic pan-European partnerships, and create favourable environments for creative thought processes and innovations to flourish. Real sustainable products, services, entrepreneurs, engineers, scientists, companies, revenue, profit and jobs are emerging from our Innovation Communities, right here in Europe – concrete results from Europe's, if not the world's, largest innovation network.

EIT Manufacturing

2018

EIT Urban Mobility
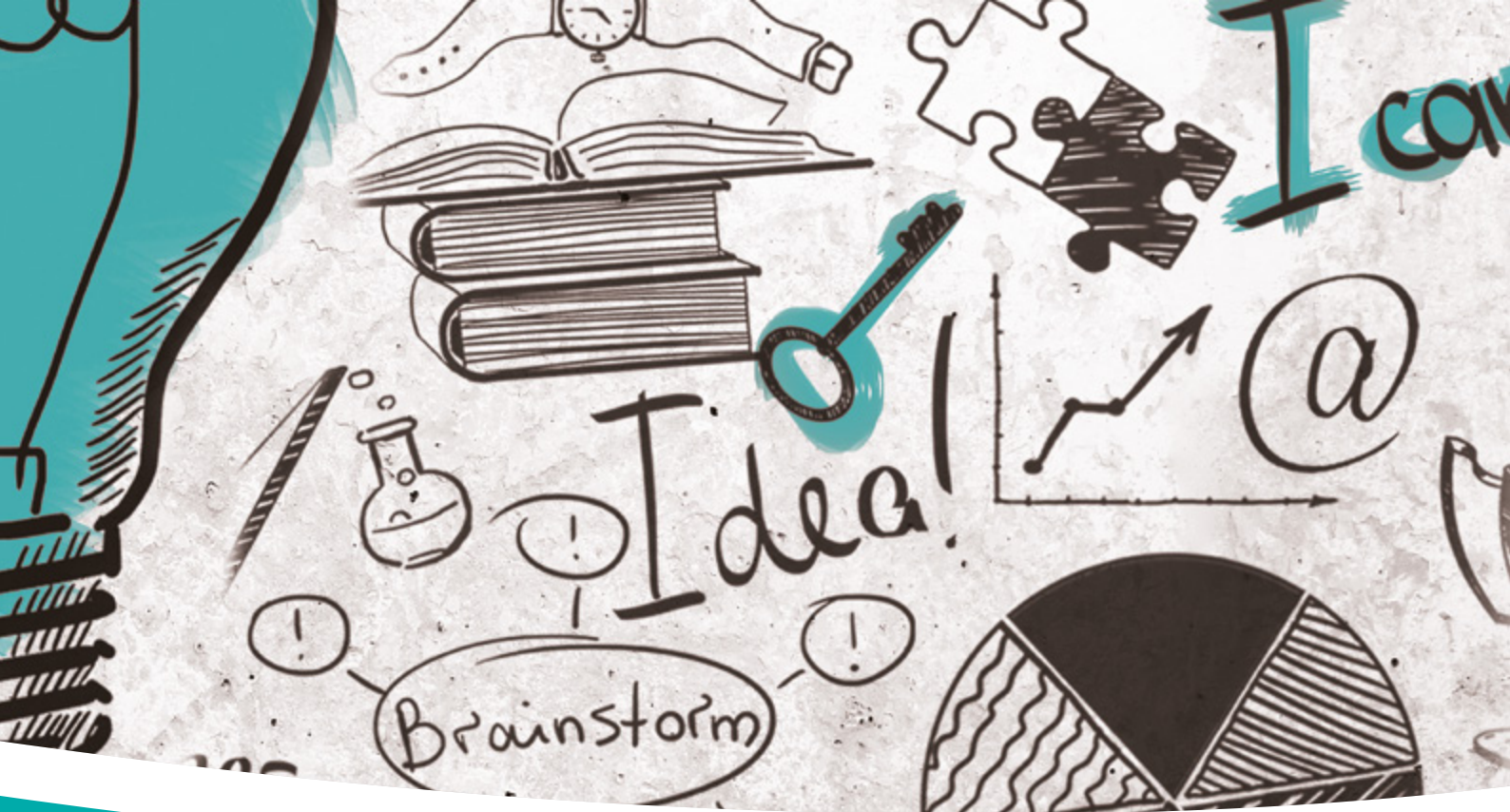
EIT Innovation Communities are dynamic and creative partnerships that harness European innovation and entrepreneurship to find solutions to major societal challenges in areas with high innovation potential – and create quality jobs and growth. Since 2010, we have launched six Innovation Communities. We began with EIT Climate-KIC, EIT Digital and EIT InnoEnergy, adding EIT Health and EIT RawMaterials in 2014. In 2016, EIT Food was chosen as our newest Innovation Community.

Now, the EIT is poised to grow even more. In 2018, we are launching a call for proposals for the EIT's next two Innovation Communities: EIT Manufacturing and EIT Urban Mobility. Is this an opportunity for you and your network?

If you would like to submit a proposal to start and manage one of the EIT's new Innovation Communities, there is much to consider. You'll need to form a partnership, carry out intensive planning, and complete the application procedure. This document is intended to support you as you develop your proposal.

The following pages will first provide you with helpful background information on the EIT, its Innovation Communities, and their activities and achievements. It then offers insights into the components of a successful Innovation Community, which you'll want

to consider when developing your proposal. Finally, it offers practical information on contractual matters if you should be chosen to start and manage one of the two new EIT Innovation Communities, as well as a view of what to expect in the first years of starting up.

The call for proposals will be open until 12 July 2018, and full details are available at eit.europa.eu/collaborate/2018-call-for-proposals.

As part of the EIT Community, we can all make a real difference and shape not just our own future, but Europe's too. We hope you will be inspired to innovate with us!

Peter Olesen
Chairman of the EIT
Governing Board

Martin Kern
EIT Interim Director

1. What is the European Institute of Innovation and Technology?

Today we face many societal challenges that strongly concern citizens, such as global warming, sustainable energy supply, digital transformation, demographic change, and migration. When tackling these challenges, we are presented with great opportunities for innovation and entrepreneurship. Europe is perfectly placed to grasp these opportunities, with its wealth of top universities, strong companies and excellent research organisations along with a pool of highly educated and skilled individuals. However, translating this strong basis of organisations and individuals into real solutions to societal challenges requires a different kind of innovation, focused on inspiring one another and finding new ways to collaborate for common objectives – and that's where the EIT comes in.

The EIT is a unique EU initiative that boosts innovation and entrepreneurship across Europe with one simple idea: through diversity, there is strength. It supports the development of dynamic pan-European partnerships between leading universities, research labs and companies. Together, they develop innovative products and services, start new companies, and train a new generation of entrepreneurs. They bring ideas to market, turn students into entrepreneurs and, most importantly, they innovate. These partnerships are known as EIT Innovation Communities.

Each EIT Innovation Community focuses on a different challenge, now ranging from the development of sustainable energy sources to encouraging active ageing or sustainable food. Each sets its own strategic objectives, business plan and governance. Each uses the central EIT funding as seed money to leverage existing investments and attract investors. Each one holistically builds innovation ecosystems through a portfolio of activities addressing the identified societal challenges and integrates Europe's leading players in education, research and business. Ultimately, each delivers results and achieves impact.

As you develop the proposal for your own Innovation Community, you will greatly benefit from the lessons learnt through the experiences of the existing Innovation Communities. This valuable insight is summarised and highlighted later in this document.

Key actors in our innovation ecosystem

ENABLERS

PARTNERS WORKING TOGETHER

European Union

Venture Capital

Businesses

Research Centres

Business function

SMEs

Public Bodies

Innovation & Entrepreneurship

National Authorities

Business Angels

NGOs

Research function

Education function

Higher Education

End users

Citizens

Local Authorities

Regional Authorities
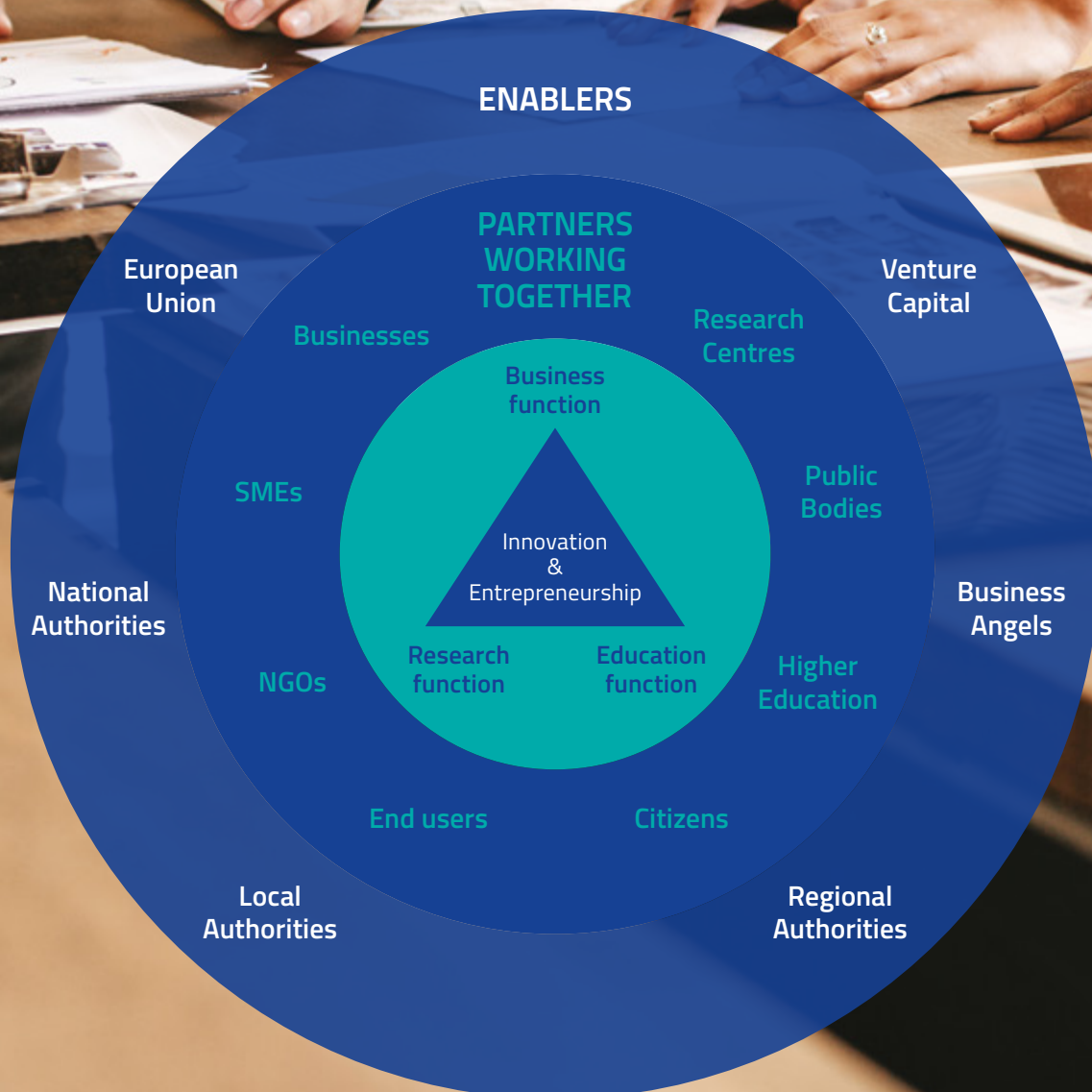
How does the EIT Community work?

Since the first Innovation Communities began operating in 2010, the EIT has developed a unique system that creates innovation ecosystems that can deliver impact and transform the sectors in which they operate:

1 Making the plan

The EIT Governing Board, consisting of leaders in business, research and education, provides strategic direction for the entire EIT Community. A central, small and efficient staff at the EIT Headquarters in Budapest supervises and guides the Innovation Communities, launches the Calls for Proposals, and manages the funding granted by the EU through the EU Framework Programme for Research and Innovation (Horizon2020, with more than €2.35 billion from 2014 to 2020).

2 Forming the Innovation Communities

A core group of educational, research and business partners comes together to submit a proposal for an Innovation Community – this is where you come in. They set their objectives and expected impact, develop a business model, and devise a structure to deliver the results. They submit their proposal against other would-be Innovation Communities, in a transparent, competitive and fair process led by the EIT, following the criteria set by the Governing Board. The winners – one group for each field, in this case Urban Mobility and Manufacturing – receive the mandate and significant resources to begin work.

3 Delivering results and achieving impact

The Innovation Communities initially have seven years to deliver their results, with annually defined milestones. If successful, they may be supported for up to 15 years. Upon being selected, they produce a business plan that combines activities and funds from different sources into an integrated portfolio, which is a powerful driver for innovation and entrepreneurship, and creates economic and societal impact. The EIT funds up to 25% of an Innovation Community's global budget, but individual KIC added value activities can be financed at a higher rate. Each Innovation Community is set up around a legal entity, with its own system of management team and governance, and its own network of partners operating across Europe and beyond. Together, the partners attract students for Master and Doctoral degrees, and other types of education programmes for innovation and entrepreneurship. They incubate new companies and support start-ups and scale-ups, using, generating and validating ideas through their network of partners. They develop new services, processes or products that companies of all sizes can successfully bring to market or adopt for themselves in order to address the specified societal challenges and offer solutions for citizens.

If chosen to start one of the EIT's new Innovation Communities, you will manage an innovation powerhouse in your area of focus (urban mobility or manufacturing). If you are driven to create tangible and sustainable change in the EU and beyond, joining the EIT Community will provide you with the support and resources to make your vision a reality.

What do the EIT and its Innovation Communities focus on?

Since its launch, the EIT Community has:

- **Created six EIT Innovation Communities** that offer powerful innovation ecosystems, **bringing together partners across disciplines, countries and sectors**. These partners include some of the biggest names in industry, from ABB to Vattenfall, and a total of **578 businesses**, including SMEs, in the EIT Community. Collaborating with them are **199 higher education institutions**, from Aalto University to Utrecht University, **152 research centres, 83 cities, regions, and non-governmental organisations**[1]. In just over eight years of operation, the EIT has accomplished its first goal: reducing the fragmentation of the European innovation landscape in the areas its Innovation Communities are tackling. These areas cover some of the most pressing issues for Europe, and include climate change, the use of raw materials, sustainable energy, active ageing, and more.

- **Sparked a new type of entrepreneurship education for Europe**. The EIT supports the creation of tomorrow's entrepreneurs and promotes a real change of mind-set towards an entrepreneurial culture and attitude. By investing in the EIT, Europe invests in the talent of tomorrow, individuals who will create new start-ups and also contribute to innovation in existing companies, thus becoming a source of growth.

With this perspective, Innovation Communities have gone on to develop their own education programmes that focus on the delivery of entrepreneurship and innovation skills, tailored to the specific needs of the European innovation system. Alumni of these programmes develop the skills and mind-set to become successful innovators and the game-changers that Europe needs.

Within the Innovation Communities, partners have also created new entrepreneurship programmes for those seeking Master and Doctoral degrees, executive education, or other forms of training (including innovative professional or lifelong training). These programmes are gaining popularity with their innovative teaching, carefully designed to equip students with the skills and competences to set them apart from their peers.

For example, the Journey programme, run by EIT Climate-KIC, brings students from many backgrounds together on a five-week trek across Europe for lectures, business coaching and hands-on venturing. EIT Digital has formed the EIT Digital Master School, a joint venture involving more than 20 universities and business schools to train young engineers and ICT specialists – with guaranteed internships at partner companies. And EIT InnoEnergy is running a Master School focused entirely on sustainable energy technologies. These are just a few examples – and EIT Innovation Communities are expanding their portfolios of education programmes all the time.

[1] Source: EIT July 2017

- **Fostered more than 430 new or improved services and products, as well as more than 300 start-ups**. True innovations are disruptive – and it often takes small, dedicated teams of start-up entrepreneurs to push them out of the lab and into the market. These teams have been developing new products and services in every area imaginable, including a **new thermostat** to reduce your heating bill by up to 30% and reduce CO_2 emissions at the same time, combined **photovoltaic and solar thermal energy cells** to heat water and generate electricity, and a **smart tree** that is able to process pollution in urban areas at the same rate as 275 urban trees.

From the EIT Community, these innovators get help in planning their businesses, recruiting staff, raising capital, winning customers and attracting business partners; indeed, the Innovation Communities' multinational partners are often among their first customers. And they get what every innovative venture needs: attention from and access to markets at the European and global levels.

Strong examples of these services being offered and rendered to start-ups and scale-ups are the pan-European, data-driven, people-centric offerings provided by each of the Innovation Communities' Accelerators: the EIT Climate-KIC Accelerator, the EIT Digital Accelerator, the EIT Health Accelerator, the EIT RawMaterials Kick Starter and Booster Funding, and the EIT InnoEnergy Highway.

- **Developed transformative innovations often built on breakthrough research and science results**, and helped bring them to citizens and to the market. While we build on research results, the EIT model is not a 'typical' research programme and the EIT complements other existing European and national instruments financing research activities. The EIT focuses on the exploitation and commercialisation of market opportunities of the research outcomes delivered and brought by EIT Community partners. Where they are successful they will typically create a return for the Innovation Community and contribute to its financial sustainability. As the EIT boosts innovations facilitating systemic changes and addressing societal challenges, technological innovations have to be supported by a change of culture or mind-set to more effectively implement and spread innovations. This requires a more complex approach towards innovation and a stronger focus on supporting a culture of change and transformation. It also requires that the education, research and business functions of the knowledge triangle become integrated.

- **Enhanced the reach of activities through the EIT Regional Innovation Scheme (RIS)**, the EIT Community's outreach scheme. The scheme enables the transfer of good practices and know-how from the EIT's unique approach to boosting innovation. By implementing the EIT RIS, the EIT Community aims to share emerging good practices and experiences and to widen participation in its activities across Europe.

The objective of the EIT RIS is to contribute to boosting the ability to innovate of countries and regions in Europe that belong to the groups of so-called 'modest and moderate' innovators (according to the European Innovation Scoreboard[2]). The EIT RIS opens up the activities of the EIT's Innovation Communities to innovators that are not partners in the Innovation Communities, by providing targeted support to individuals and organisations to take part in and benefit from its Innovation Communities' activities, services, programmes and know-how. Countries, regions, local organisations and individuals taking part in the EIT RIS benefit from the transfer of knowledge, know-how and cooperation that is achieved with the EIT's Innovation Communities.

[2] http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_en

● **Created synergies at the global, EU, national and regional level as well as between Innovation Communities and their activities**. At the EU level for example, Innovation Communities are deeply involved in other EU programmes by working on several projects that fit neatly into Horizon 2020 or by working with the EC's Joint Research Centre in several areas such as the Smart Specialisation Thematic Platforms, Competences and Foresight, Intellectual Property and Technology Transfer and much more. Additionally, EIT InnoEnergy is one of 15 actors coordinating the EU's new energy technology strategy, the SET Plan Integrated Roadmap 2014-2020, EIT Health has established a Strategic Advisory Board with High Level Participation from the European Commission, EIT RawMaterials has

taken over responsibility from DG GROW on arranging the 'Raw Materials University Days' while working with the EC's Copernicus Programme on education activities, EIT Digital is working closely with DG CNECT by coordinating various complex projects, while EIT Climate-KIC participates in various expert groups of DG RTD in fields related to climate change. These are just some examples of the different levels of collaboration and synergies that an Innovation Community may create.
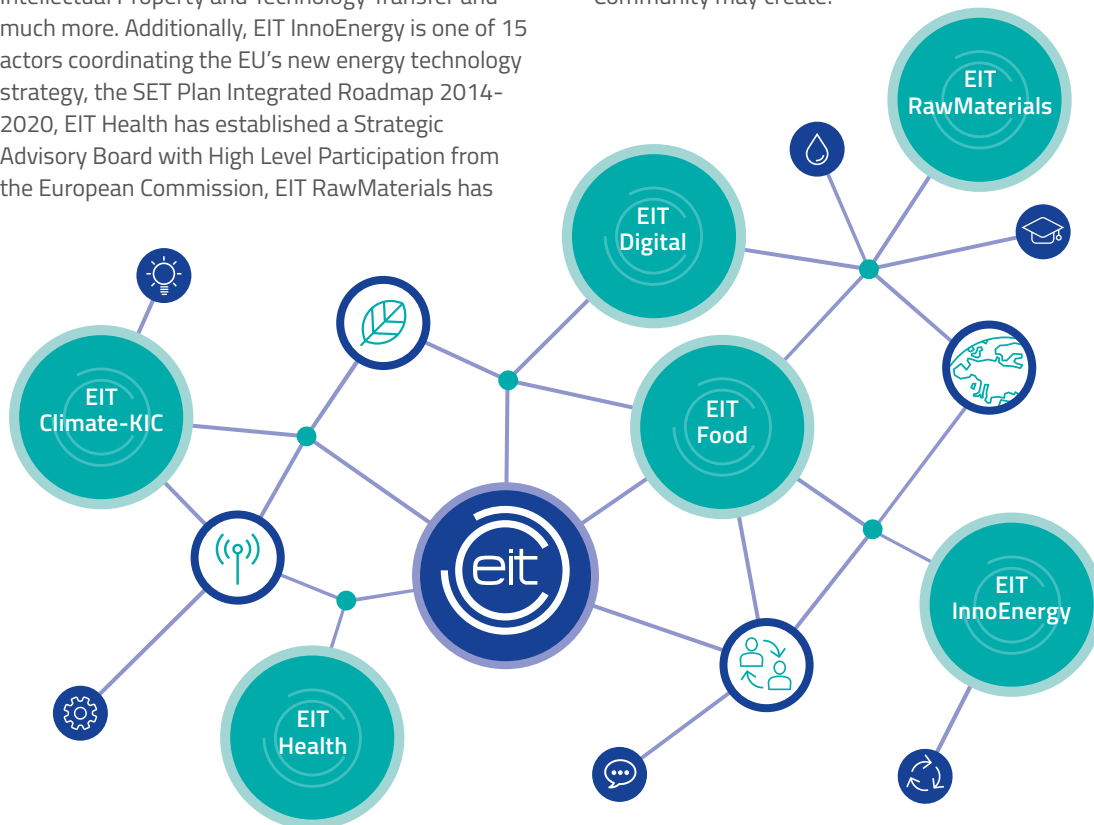
Successful innovations supported by the EIT Community (clockwise from top right): Skeleton Technologies, Furhat Robotics, Lilium and Navya.

EIT Awards

To promote innovation, encourage entrepreneurship and create role models to drive change, the EIT organises Awards in three areas:

The **EIT CHANGE Award** celebrates graduates from EIT-labelled educational programmes who spur innovation and entrepreneurship and bring about change in the areas addressed by the EIT and its Innovation Communities.

Florence Gschwend, 2017 Change Award winner for the BioFlex process that enables contaminated waste wood to be transformed into inexpensive fuels, materials and chemicals.

The **EIT Innovators Award** recognises innovation teams from the Innovation Communities that have developed a product, service or process with a high potential for societal and economic impact.

Martin Steinberg, 2017 Innovators Award winner for the Stockholm3 Test (STHLM3), an innovative cancer-detecting blood test.

The **EIT Venture Award** puts successful entrepreneurial start-ups in the spotlight that have been supported by the Innovation Communities through a dedicated business creation or business development process.

Hans Constandt, 2017 Venture Award winner for DISQOVER, an innovative search tool that finds medical data faster, smarter and simpler to help heal patients more effectively.

In 2017, we introduced a new category, the **EIT Audience Award**, giving all INNOVEIT participants the opportunity to vote for their favourite nominee.

Carsten Mahrenholz, 2017 Audience Award winner for the "Plasma Patch" – a Star Trek-like device that uses cold plasma to kill multi-resistant bacteria and treat chronic wounds.

Sixteen winners have been chosen by the EIT Community to-date, but ventures supported by the EIT Community have also been successful in wider European and international competitions as well as investment rounds. Since Forbes introduced its 'Forbes 30 under 30 Europe' list in 2016, 23 EIT Community entrepreneurs have been recognised and the number more than tripled from 2016 to 2017. The list features the best young innovators, entrepreneurs and game changers from Europe. The EIT Community was also represented in the European Commission's annual Prize for Women Innovators. Kristina Tsvetanova from Bulgaria, CEO and co-founder of EIT Digital-supported BLITAB Technology, won the Rising Innovator category, recognising the best women entrepreneurs under 30 in Europe.

The next big step

The EIT is on a clear path for growth. Under the Horizon 2020 Framework Programme for Research and Innovation, our budget has risen from €308.7 million in 2007-2013, to €2.38 billion in 2014-2020. This funding is being used to help the first three Innovation Communities take their next steps towards maturity, to scale up the newest Innovation Communities, and to strengthen the EIT Community, expanding to tackle additional societal challenges. **This is your chance to get involved!**

The selection of the next two Innovation Communities, EIT Manufacturing and EIT Urban Mobility, will be made in 2018, with the Call for Proposals opening at the beginning of the year.

Two new EIT Innovation Communities

As set out in the EIT's Strategic Innovation Agenda 2014-2020, the next Innovation Communities will address added-value manufacturing and urban mobility. Their aims are briefly described below, along with the EU context surrounding their areas of focus. They are also presented in specific factsheets, which can be found online at the following links:

eit.europa.eu/sites/default/files/urban_mobility_sia_factsheet.pdf

eit.europa.eu/sites/default/files/added-value_manufacturing_sia_factsheet.pdf

EIT Manufacturing

This Innovation Community will strengthen high-value (or added-value) manufacturing industries to guarantee Europe's competitive position. It will create value by delivering product and service innovation, establishing process excellence, achieving high brand recognition, and contributing to a sustainable society.

Context:

Against a background of trends such as globalisation, resource scarcity and digitalisation, the European manufacturing sector is in need of an innovation-driven transformation towards more competitive, sustainable and modern production. Industrial modernisation[3] is of crucial relevance for economic dynamism in Europe and the lasting creation of growth and jobs in the EU. Advanced manufacturing technologies and systems are essential for Europe's competitiveness. At the same time, the societal challenge is to equip human capital with the right skills and ensure that these technologies and systems help increase productivity, create jobs and make production more cost- and resource-efficient[4].

[3] http://s3platform.jrc.ec.europa.eu/industrial-modernisation
[4] https://ec.europa.eu/growth/industry/policy/key-enabling-technologies_en

The value-chain approach is key to the manufacturing industry. Start-ups will struggle to thrive if they are not well integrated into a wider industrial value chain. An important barrier to the decision of companies, especially SMEs, to invest in advanced manufacturing, is the absence of skilled employees inside manufacturing companies and the difficulty in finding such skilled employees on the job market.

Despite Europe's good performance in developing and exporting advanced manufacturing solutions, their uptake by European companies, in particular among SMEs, remains slow. Fewer than one in five manufacturing companies have already used advanced manufacturing technologies (high-performance, sustainable or IT-enabled manufacturing) and there has been a substantial decline in the use of all three over the last year

(results Innobarometer 2016[5]). So far, the spread of advanced manufacturing has also remained too focused on specific countries and certain sectors to spur meaningful, broad-based industrial modernisation across the continent[6]. Low rates of adoption of technology and investment are also hampering productivity and innovation.

Manufacturing has attracted additional support from Horizon 2020 LEIT and KETs[7], Horizon 2020-PPP FoF[8] and co-financing (e.g. European Structural and Investment Funds (ESIF)[9]). The ESIF remain a relevant source of EU funding for advanced manufacturing.

For more information visit: ec.europa.eu/growth/industry/innovation_en

EIT Urban Mobility

This Innovation Community will develop solutions for sustainable urban mobility through breakthrough innovations, leading to greener, more inclusive, safer and smarter transport systems.

Context:
Many European cities set ambitious targets to contribute to fulfilling the climate goals of the Paris Agreement[10]; as a result, the demand for shared, clean and on-demand transport solutions for people and freight in urban areas is rapidly increasing. This requires the development of new business models, skillsets, and partnerships in European urban areas.

The 2013 Urban Mobility Package[11] set out proposals for actions at local, national, and EU level, and put forward a now widely applied concept for Sustainable Urban Mobility Plans. It included a wide-ranging set of initiatives, such as traffic safety and smart road charging to reduce CO_2 emissions, air pollution and congestion.

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[5] http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/73869

[6] https://ec.europa.eu/growth/industry/policy/cluster_en ; https://www.clustercollaboration.eu/

[7] http://ec.europa.eu/programmes/horizon2020/en/h2020-section/nanotechnologies-advanced-materials-advanced-manufacturing-and-processing-and

[8] http://ec.europa.eu/research/industrial_technologies/factories-of-the-future_en.html

[9] https://ec.europa.eu/growth/industry/innovation/funding/esif_en

[10] https://ec.europa.eu/clima/policies/international/negotiations/paris_en

[11] Urban mobility package and targets: https://ec.europa.eu/transport/themes/urban/urban_mobility_en

Urban mobility has attracted additional support from Horizon 2020 CIVITAS[12], Horizon 2020-ELENA[13], co-financing (e.g. ESIF, CEF for urban nodes) and the Investment Plan for Europe (EFSI)[14]. The ESIF remains the most important source of EU funding for urban transport, along with national, regional and local funding.

For more information visit: ec.europa.eu/transport/themes/urban/urban_mobility_en

[12] CIVITAS urban mobility R&I (funded by the EU's Horizon2020 programme): http://civitas.eu/

[13] ELENA: – supporting investments in energy efficiency and sustainable transport (funded by Horizon2020):
http://www.eib.org/products/advising/elena/index.htm

[14] EC Urban portal (including actions such as the Urban Agenda, ESIF and EFSI):
http://ec.europa.eu/regional_policy/en/policy/themes/urban-development/portal/

2. What makes a successful EIT Innovation Community?

The idea of an EIT Innovation Community is straightforward and, in itself, an innovation. It is an integrated partnership, operating within the EIT Community, at the core of which are research organisations, educational institutions, businesses (including SMEs) and other innovation stakeholders such as public authorities or NGOs.

+1 000 partners
by July 2017

The EIT Community

578 companies, including SMEs

199 higher education institutions

82 cities, regions and NGOs

152 research centres
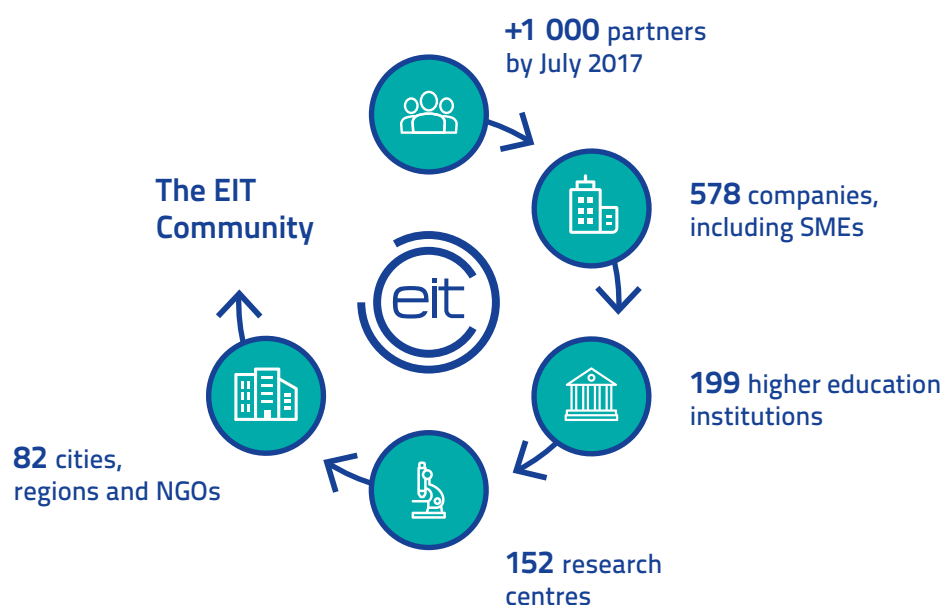
From this core stems a network of highly dynamic Innovation Hubs, which enable national and cross-border EU collaboration, and offer the benefits of regional ecosystems, partners' facilities, factories, and classrooms for joint programmes and projects. They focus on developing innovative products, services and training in a specific area of their Innovation Community, taking targeted actions to help overcome key challenges in that field. Each Innovation Community operates with its own management, legal structure and business plan – autonomously designed with the EIT's support – and has its own clear, measurable objectives to deliver value to its partners and EU citizens.

An Innovation Community is innovation in action. Its work is world-class, and covers the entire value chain from education to research to business creation, demonstration, start-up incubation, marketing, communication and sales. It is a living entity that connects people and organisations – a dynamic partnership, ready to adapt to the changing realities of its field and the emerging needs and challenges of Europe. Yet, it is clearly a part of, and a contributor to, the entire EIT Community and embodies the EIT's core values: impact, excellence and partnership.

Submitting a proposal to start an EIT Innovation Community differs from applying to EU grant programmes, due to the partnership and the level of ambition required. In your proposal, you will need to demonstrate your ambitious but pragmatic proposal to work together with the best players to find excellent solutions; deliver real products, services and jobs; create new industry sectors and markets; renew and give new impetus to existing sectors and markets; and make a lasting change in the way Europe thinks and acts on innovation and entrepreneurship. Innovation Community partners must also understand the EIT's unique innovation model and be committed to the EIT's mission.

An EIT Innovation Community must be born of a strong desire to do things differently, and strengthen the EIT community spirit with like-minded people and organisations that are ready to experiment and operate at the boundaries of their innovation ecosystems. It must pioneer new solutions to society's biggest challenges. It must be run with business logic and an entrepreneurial mind-set. And it must innovate.

Tips for building your EIT Innovation Community

If you decide to submit a proposal to start one of the EIT's two new Innovation Communities, you will need to show that you are able to bring together a strong network of partners that is committed to developing and delivering a high-impact innovation strategy. The paragraphs below describe some key success factors for our Innovation Communities, which you can consider when developing your proposal:

Start small – consolidate and then grow progressively in line with your strategic agenda.

Build a network that is **truly pan-European and has global outreach** ambitions.

Have a focused strategy with measurable targets and an eye on impact and results.

An Interim Management Team is a key success factor for starting an Innovation Community – this is a full-time job!

Choose the right **legal entity** form for your partnership and strategy, and follow the principles of good governance.

Define the role of the Management Team and empower them to successfully run the start-up phase of the Innovation Community.

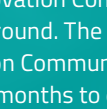**Do not rely solely on EIT funding** and plan for long-term financial sustainability.

Get organised early and well. Do not underestimate the importance and the intensity of the start-up phase to get your Innovation Community off the ground. The first EIT Innovation Communities took up to 12 months to establish all necessary legal and financial structures and define how they would work.

Identify early your **strategic partners** – the players at national, regional, EU or international level that you want to work with to add value to your work. **Synergies** will be important to deliver greater impact in a more efficient way.

Make sure that your **partners fully understand the EIT's mission** and establish together a common vision and ambition that is aligned with it.

Consider how your Innovation Hubs will develop from the core partnership, and make adjustments to your core partners if necessary.

Involve partners in the process of structuring the Innovation Community from the very beginning; building partnership trust, engagement and commitment is crucial.
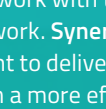
Ensure that your **Innovation Hubs** or Co-location Centres develop their own vision, paying attention to both the local/regional and wider context, and think through their management structure.

Knowledge triangle

The EIT Community's mission is to boost innovation and entrepreneurship through the integration of the 'knowledge triangle' (higher education, business and research), with a view to creating new jobs and spurring economic growth.

Knowledge triangle integration is a coordinated process in which the EIT Community inspires, facilitates and empowers innovators with diverse skills and competences to creatively:

- deliver new products, services and business models;
- equip students with the skills to become entrepreneurs;
- create start-ups and accelerate the scaling up of ventures.

Implementation of the knowledge triangle integration model requires representatives of the full spectrum of partners to enter a process of strategic thinking, resulting in a set of clear goals and objectives, and pathways to achieve these.

Make sure your potential partners are committed and ready to form an integrated partnership as an Innovation Community, and are willing to adjust their own operations to better integrate with the other sides of the knowledge triangle. They will also need to be well-informed about the strategy, and be encouraged to contribute to a variety of activities.

Impact – an EIT Innovation Community's overarching principle

Together with excellence, impact has been one of the guiding principles of the EIT since its creation. In a context of economic frailty, demonstrating a tangible and measurable impact is essential. The EIT Community is characterised by a focus on results and an ambition to achieve long-lasting impact in the way the EU approaches and manages innovation. It is therefore critical that the Innovation Communities are able to demonstrate substantial impact at the socioeconomic level over time, and progress towards achieving their mission and objectives.

In the context of presenting your Innovation Community strategy, a focus on short-, mid- and long-term impact, and a results-orientated and business-like approach, are of the utmost importance. It must create the conditions to accelerate the translation of results from research and other activities into the market. Innovation Communities should benchmark their expected and delivered achievements against world-class initiatives at national, EU and international levels. Taken together, Innovation Community activities and their organisation form powerful innovation systems that create impact in the addressing of societal challenges. Your own strategy for creating impact should be underpinned by specific impact indicators.

A successful EIT Innovation Community has...

A long-term strategy

Once you know what you want to achieve, how are you going to do it?

Partners in an EIT Innovation Community design a realistic, specific, measurable, achievable and time-dependent strategy to address the concrete challenges posed in their thematic field, accompanied by specific, relevant and measurable strategic objectives. This strategy must be aligned with the EIT's strategic objectives, cover at least seven years and be based on the overriding principle of knowledge triangle integration. It allows partners to commit for a long period of time, and ensures that an Innovation Community is able to focus on short-, medium- and long-term objectives, while remaining agile enough to adapt to emerging needs.

An Innovation Community works across the boundaries of education, research and business, developing activities within and across all three sectors. Its strategy must also be market-oriented and reflect its multidisciplinary nature, its approach to innovation, and its preferred portfolio of activities.

The EIT's Strategic Innovation Agenda[15] includes indicative factsheets on the societal challenges that the future Innovation Communities will address. It is up to you, the expert in the field, to work with your partners and define exactly how you are going to overcome these challenges.

A successful EIT Innovation Community has a...

Diverse and excellent partnership

Partnership is an essential feature of an Innovation Community, and a requirement of the EIT's aim to bring together players from across the knowledge triangle in a balanced and collaborative manner.

This diversity of partners is also essential as no two companies, universities or research institutes are the same. The people within these companies, universities or research institutions are also unique (in terms of their skills, gender, culture, age, experience, etc.). Each partner and individual sees the world differently and has a contribution to make. It is when they work together that the creative sparks of innovation can fly.

The combined strength and complementary capabilities of the partners must be greater than the sum of the strengths of the individual partners. This is determined, to a large extent, by the commitment of each individual involved. Each existing Innovation Community has chosen its own way of showing that commitment, with different classes of partners, costs and benefits. This reflects not only the diversity of partners – from start-up companies and SMEs to major universities, from students to experienced

researchers and entrepreneurs – but also of the different excellent approaches to innovation and entrepreneurship.

An EIT Innovation Community is a dynamic and integrated partnership. The initial set of partners has a crucial role in defining the core strategic elements of the Innovation Community, successfully setting up the legal and the operational readiness, developing the EIT identity, and starting to implement initial activities.

In order to define this together with the initial partners, each new Innovation Community receives EIT support during the first year through a Start-up Grant Agreement. As the volume and scope of activities grow in the following years, an Innovation Community may consider bringing in new partners, provided they offer further value to the Innovation Community.

Under the EIT Regional Innovation Scheme, an Innovation Community is also expected to specifically target areas in Europe with a lower innovation capacity.

[15] https://eit.europa.eu/interact/bookshelf/eit-strategic-innovation-agenda-sia-2014-2020

A focus on people and talent

Whether research, development projects, educational courses or business coaching, an Innovation Community puts people at the centre of everything it does. It provides talented people with the opportunity to start a company, design a product, launch a service, get a new degree, advance their careers – or just make money. It lets them move – across national borders for new jobs or tasks, or across the conventional boundaries between industrial sectors or scientific disciplines. Providing these opportunities is important; it should be reflected in the Innovation Community's management model, its long-term strategy, its drive for excellence, and its portfolio of activities.

The EIT can help...

Business professionals

An Innovation Community can help professionals advance their careers. Its partnerships let them develop creativity, broaden skills, stay up-to-date with the latest technologies, and network with other professionals from world-class organisations. An Innovation Community provides insights into the latest innovation trends, creating new business opportunities. Professionals can take part in entrepreneurship-driven courses to stay competitive, obtain business coaching, work across borders and disciplines – or bring a company's innovation projects to fruition more quickly.

Educators

An Innovation Community provides the opportunity for educators to learn how to teach differently, using new technologies, new types of learning through collaboration with business and research, and innovative learning environments. By bringing together education, research and business in the design of entrepreneurship courses, an Innovation Community can help educators trigger the creativity of students. Educators can share experience within the Community to improve curricula, create new learning formulas and capitalise on the opportunities offered by innovation in order to equip students with skills and capabilities to address the societal challenges through innovation.

Entrepreneurs

The EIT Community attracts top entrepreneurial talent for innovation, in different stages of maturity, from the early stages through to seed funding. Entrepreneurs can learn from the best in their chosen field and market, and identify and connect with new business partners and clients to turn ideas into sustainable and scalable start-ups. Innovation Communities also offer direct access to the wider European marketplace, to grow businesses internationally. The Innovation Communities also provide many quality services for entrepreneurs including mentoring schemes, enhanced access to finance, and most of all, access to the know-how of EIT Community partners and pan-European networks.

Researchers

Working in an Innovation Community can offer a creative blast – new partners, new facilities, new disciplines and cultures. For researchers in a university, the Innovation Community can grant access to corporate labs, applied research disciplines, and ambitious entrepreneurs to make ideas real. For researchers in companies, an Innovation Community can broaden partner networks, bring out new ideas, and draw on new disciplines to ensure that research results help bring solutions to the market, address the needs of citizens and make a societal impact.

Students and alumni

Students will find that the EIT Community is built around a new way of approaching innovation and business creation. Thanks to our broad partner base, students can meet professionals from companies, big and small, increasing the chances of landing a job or creating a company. Student training through the Innovation Communities reflects the multifaceted reality of innovation and learning by doing. In addition, students meet like-minded entrepreneurs, innovators and change agents by joining the EIT Alumni Community.

A successful EIT Innovation Community has…

Top quality governance and management

Bringing together many different partners requires strong governance. The contractual relationship between the EIT and each Innovation Community is governed by a Framework Partnership Agreement. Within principles of good governance, an Innovation Community is free to define its own internal organisation and management structure – but experience shows that a strong, lean and flexible management approach is needed to implement an Innovation Community's strategy. Governance and structure affect how the Innovation Community works centrally, how activities in the field of education, innovation and entrepreneurship are shaped by knowledge triangle partners, and how the Innovation Hubs are integrated into the wider Innovation Community network.

The governance and organisation of an Innovation Community should be well thought-out, taking the knowledge triangle integration process as a starting

point. It should aim to develop a clear structure for collaboration among partners so that the mission of the EIT can be fully achieved. This governance will be the basis for the successful implementation of the strategy and future financial sustainability of the Innovation Community.

Innovation Hubs constitute the backbone of an Innovation Community and should have a strong management, enabling collaboration within the Hub itself and with partners from other Hubs. There should be an inbuilt simplification agenda to keep overheads and management costs low.

All Innovation Communities have clear leadership with a Chief Executive Officer (CEO), supported by an Executive Team consisting of top management positions such as a Chief Financial Officer (CFO) and Chief Operating Officer (COO). They have executive power over the management and finance of the Innovation Community. Experience shows that independence, a clear mandate, and empowerment from the partners are all crucial to give the CEO and the Executive Team enough room to manoeuvre. The partners are represented together with independent members by participation in Boards and Assemblies.

In order to emphasise best practices and ensure compliance with fundamental principles applicable to public funds, the EIT sets out principles of good governance in the Specific Grant Agreement, which is part of the Framework Partnership Agreement that will be entered into among the EIT and the new Innovation Communities. Innovation Communities have substantial autonomy and decide on the most suitable form for their governance; however, they should respect that these principles of good governance must always be adhered to. These principles require that the Innovation Community and their partners have a governance structure that:

- Reflects the diversity in the composition of the partnership, in particular the balance within the knowledge triangle;
- Separates ownership and membership from operational management;
- Ensures an open and high-quality decision-making process, composed of top-management from partners' as well as independent high-level members;
- Separates the supervisory function from the operations and integrates a system of checks and balances, the body with supervisory function should have an independent chairperson;
- Has a size allowing the Innovation Community to function in an effective and efficient way.

The members of the governance structure must act in the best interest of the Innovation Community, safeguarding its goals, mission and identity, in an independent way.

Each Innovation Community and its partners must have a code of good conduct including a policy on conflicts of interest.
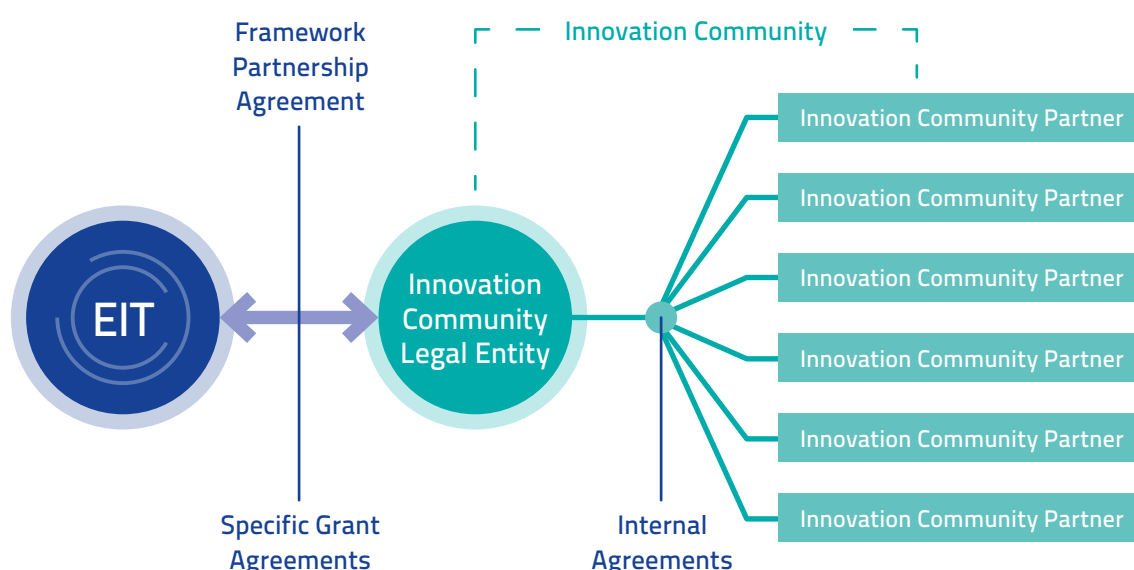
Who's leading?

EIT Climate-KIC has an Assembly, with one representative from each core partner and two elected affiliate-partner representatives. Strategically, it is led by a governing board with representatives of its Innovation Hubs and regional centres. Operationally, it is led by a Chief Executive Officer and an Executive Team.

EIT Digital has a General Assembly of partners that decides on strategic issues and the business plan and elects the Executive Steering Board. The Board includes two core partners from each of the six regional nodes, appoints its chairman, the Innovation Community Chief Executive Officer and the other main officers, and provides guidance to the CEO. The Management Committee includes the CEO and other key executive officers.

EIT Food has a Partners' Assembly with Core Partners and Network Partners. A Supervisory Board leads the Innovation Community 's Strategy and shall supervise the Management Board whose members - chaired by the Chief Executive Officer - shall be jointly responsible for managing business and operations, and implementing the integrated Strategic Agenda and annual business plans. An Intellectual Property Board, a Committee on Ethical, Legal and Social Implications, and a Compliance Committee are additional advisory bodies associated with the Management Board.

The Partner Assembly (PA) is **EIT Health**'s highest decision-making body and comprises the partner organisations. A Supervisory Board, appointed by the PA, is made up of senior management representatives from partner organisations. The Board approves annual activities and also appoints the Management Board, which directs the day-to-day operations of the Innovation Community. An Intellectual Property Board and a Standing Committee on Ethical, Legal and Social Implications are two additional advisory bodies associated with the Management Board.

EIT InnoEnergy has a Supervisory Board responsible for oversight and the general direction of the Innovation Community. It also appoints an Executive Board, responsible for developing and implementing the business strategy and the annual business plan. The General Assembly of partners adopts the annual report, accounts and profit appropriation. The day-to-day business is led by a Chief Executive Officer and an Executive Team.

All Core and Associate Partners of **EIT RawMaterials** are members of the non-profit association, which is represented by its Executive Board. The association is the sole owner of EIT RawMaterials GmbH, a German limited liability company that also represents the legal entity. The Executive Board of the association, in its function as the Shareholders' Meeting of the legal entity, supervises the activities of the independent Management Team, which is led by the Chief Executive Officer.

A legal entity suited to its needs

The choice of an appropriate legal entity for an Innovation Community is crucial. It integrates the partners, and is the intermediary for any communications between the EIT and the partnership. It is the Innovation Community Legal Entity that, mandated by the Innovation Community partnership, signs the Framework Partnership Agreement and the annual Specific Grant Agreements with the EIT. The CEO is the legal representative of the legal entity.

The legal structure chosen by each Innovation Community reflects the initial commitment of the various partners and its business model. But more importantly, it has a bearing on their performance and long-term commitment. In addition, the choice of legal entity determines the governance structures of the Innovation Community. Whatever the structure, its leading principle must be business-like logic and flexibility to make quick decisions.

The EIT's principles of good governance apply to each Innovation Community. The legal entity's size must be proportionate to the size of the partnership, ensuring smooth management and operation of the Innovation Community in an effective and efficient way. The legal entity must act in the best interest of the Innovation Community, safeguarding its goals, mission and identity independently from the particular interest of individual partners. Some Innovation Communities have decided to follow a membership fee model from the beginning, in order to secure other sources of funding. This gives them room for operational flexibility and mitigates cash liquidity risks.

The existing Innovation Communities have chosen different legal forms for their legal entity: EIT Climate-KIC is established as a Dutch limited liability company; EIT Digital is organised as an Association under Belgian law, EIT InnoEnergy is organised as a Societas Europaea, EIT Health is registered as an association under German law, eingetragener Verein (e.V.), EIT RawMaterials is organised as a limited liability company under German law (GmbH) and EIT Food is registered as an international non-profit association under Belgian law.

An integrated network of EIT Innovation Hubs

An Innovation Community knits together organisations of different sectors, countries and disciplines. Physically, how is this done? The Innovation Hub is an EIT invention – and one of its primary characteristics.

Innovation Hubs are the main instrument for managing activities and knowledge flow. Each Innovation Community has regional Innovation Hubs with partners in close proximity, which is essential to facilitate interaction among members of the regional community. Innovation Hubs are the focal point for the Innovation Communities' activity within these areas of focus. Innovation Hubs build on the existing labs, offices or campuses of some of the Innovation Community's core partners, which serve as clusters for a particular region, discipline or task. There they bring together people and teams from across the knowledge triangle for ideation, projects and other initiatives.

As part of the Innovation Community's strategy, which fundamentally includes synergies with other initiatives, the innovation capacity and potential impact of all Innovation Hubs together must be greater than their individual strengths. They give the Innovation Community critical mass on a European scale, forming a continent-spanning network that enables partners to tap into the best talent, ideas and resources. They also give visibility to the EIT brand and EU support.

Each of the current Innovation Communities has chosen an Innovation Hub model best suited to its strategy. However, the management structure of a hub should also conform to principles of good governance, in particular reflecting the diversity in the composition of the partners (ensuring a proper balance within the knowledge triangle), ensuring an open and high-quality decision-making process, and separating the supervisory function from the operations.

Some centres have specialties in a particular field or discipline, and others have horizontal skills that can help all partners, but several key functions can be seen across all Innovation Hubs:

- **Connectivity**: they provide a physical space for interaction within the local ecosystem. These spaces should attract a wide range of actors from within each Innovation Community and beyond;

- **Knowledge management**: they function as points for knowledge exchange (within, between and across Innovation Hubs);

- **Activity management**: they act as a centre for many activities.

EIT Innovation Hubs

Bring ideas and people together in new ways.

Contribute to the development of a regional entrepreneurial culture.

Build trust and openness among their partners.

Create opportunities for new and existing organisations to access leading European teams.

Facilitate the exchange of ideas and interactions between partners and other stakeholders.

Seek synergies and complementarities with regional, national and EU policies, funding mechanisms and programmes to spur innovation and entrepreneurship.

Disseminate and transfer the expertise and experience gained.

Provide opportunities for new products to be tested and new services to be developed.

Provide innovators and entrepreneurs with access to markets.

Some examples of Innovation Hubs

EIT Climate-KIC Innovation Hub in Germany, headquartered at the EUREF-Campus in Berlin-Schöneberg, manages all EIT Climate-KIC activities at local and regional levels. The centre focuses on sustainable city systems, e-mobility, modelling, policy and technology road-mapping, solar energy, water and zero-carbon production. The centre also hosts EIT Climate-KIC's local business incubator, the Green Garage, which offers working space for up to six start-up companies as well as space for workshops and seminars. Climate start-ups can get workshop and prototyping space and the support of EIT Climate-KIC's Acceleration Programme to make their business ideas a reality. The German centre also brings together such partners as Bayer Technology Services, Forschungszentrum Jülich, GFZ, the Potsdam Institute for Climate Impact Research and TU Berlin, and serves as a local hub for EIT Climate-KIC's wider pan-European partner network.

EIT Digital Innovation Hub in Italy, headquartered at the Povo Scientific and Technological Centre in Trento, focuses on leveraging digital technologies to help improve quality of life. Located at the core of the Trentino Region, an area rich in communications infrastructures and bristling with innovative companies, the centre unites the leading digital players in Italy. Its core partners are Engineering, Telecom Italia and TrentoRISE, while affiliated partners have activities all over Italy (CNR-National Research Council) and have labs, connected to the Innovation Hub, in Lombardy (Politecnico of Milan), Piedmont (Politecnico of Turin), Emilia Romagna (Alma Mater Studiorum – Università di Bologna) and Tuscany (Scuola Superiore Sant'Anna). Affiliated industrial partners include CFR (FIAT Research Centre), Cooperazione Trentina, PosteItaliane, Reply and ST Microelectronics.

EIT InnoEnergy Innovation Hub in Sweden, headquartered in Stockholm, is set up with Kungliga Tekniska Högskolan (KTH), Uppsala University, ABB, and Vattenfall as shareholders. It integrates an additional 30+ partners from industry, research, and education, and offers the Swedish innovation community access to 10 different sustainable energy topics such as renewable energies or energy efficiency. At the same time, it coordinates EIT InnoEnergy's expertise in the field of smart grids and storage.

EIT InnoEnergy Sweden also delivers the European educational offers (e.g., while the EIT InnoEnergy PhD School is a Europe-wide programme, its six tracks are implemented locally, one of them in Sweden). Finally, this Innovation Hub serves as the Swedish entry point to the EIT InnoEnergy Highway, a European incubator specialising in sustainable energy.

The EIT Innovation Hub development path

Experience shows that Innovation Hubs have different stages of maturity. An example development path, starting from the assumption that the Innovation Hub partnership has to be shaped, is presented below. In this case, three different stages in the development of an Innovation Hub can be identified:

① First stage

The first years of the Innovation Hub should be characterised by a strengthening of the regional partnership, intensification of the collaboration and creation of an entrepreneurial culture. At this stage, the Innovation Hub should have turned into a dynamic Innovation Hub, with a diversity of partners actively collaborating. The management of the Innovation Hub facilitates the interaction between different partners and innovators, and orchestrates co-creation processes to generate and implement new ideas, initiatives and projects.

② Second stage

The Innovation Hub may become embedded in its regional innovation ecosystem. This entails further actions to integrate the Innovation Hub into existing innovation infrastructures, seeking and developing synergies, and positioning itself as a key driver of the regional innovation ecosystem. Alternatively, the Innovation Hub may take the initiative to develop such an ecosystem. In both cases, the regional innovation ecosystem will be interconnected with similar systems at European and global levels, attracting the best talent, start-ups and investors.

③ Third and final phase

The Innovation Hub should be recognised as an important driver in a regional innovation ecosystem that is fully developed and internationally recognised as a top location for innovation and entrepreneurship. The ecosystem must be sustainable and a driver of regional and European economic development.

A successful EIT Innovation Community has...

A sustainable business model and financial plan

One of the key features of the EIT is that each Innovation Community must aim to become financially sustainable within a period of seven to 15 years after its designation. From the start, an Innovation Community is expected to have a strong business logic and mind-set aiming to transform knowledge and other resources into money. Financial sustainability means a progressive reduction of an Innovation Community's dependence on EIT financing after a gradual increase over the first seven years. This funding must be replaced with other sources, both private and public (regional, national, European, international), in particular via the generation of various revenue streams (e.g. Return on Investments, revenue sharing, licensing, equity stakes in start-ups, commercialising education programmes, selling services and consulting, membership fees, etc.).

Therefore, the Innovation Community must decide what its unique selling proposition will be, which assets it can create, what value it can add, and what business opportunities could make an impact on the societal challenge and also facilitate financial sustainability in the medium-term. A market analysis, including how and when to achieve a competitive position in the European and global marketplaces and how to use successful innovation to create revenues, is essential.

It must also plan how to raise capital. As an Innovation Community develops, its financial needs increase – and that has consequences on how the Innovation Community attracts complementary funding for its operations. Therefore, partners' commitments, including financial support from the beginning, is crucial. The EIT will provide incentives to support and accompany this process.

A successful EIT Innovation Community has…

A policy for intellectual property

An Innovation Community will create valuable new ideas – for patent, copyright or trademark. How should it protect them? How can it share them internally? Who owns the results of innovation activities? Can it make money from them?

The Innovation Communities shall follow the intellectual property rules laid down in the Horizon 2020 Framework Programme for Research and Innovation. These rules provide a flexible approach to the development of detailed rules for intellectual property rights within each Innovation Community. As a consequence, the Innovation Communities are advised to set their own intellectual property policy, which matches their specific business models and the unique nature of their collaboration. They may also establish Intellectual Property Boards, responsible for the management of knowledge transfer and intellectual property related issues. Trusted and easy-to-implement procedures, which are compliant with the Horizon 2020 legal framework, are essential.

A successful EIT Innovation Community has…

Adopted the EIT Community brand

The EIT Community is a growing, evolving and thriving community that brings together like-minded individuals from the EIT, its Innovation Communities, and the EIT Alumni Community. The EIT Community brand serves to unite all who are working together to boost Europe's capacity for innovation and entrepreneurship across all sectors.

The EIT Community is made up of many different members, so it is important that the Community as a whole is consistent in its approach to communications. Building the EIT Community brand identity helps attract new partners, talented individuals and financial resources. Another way of promoting the EIT Community identity is by instilling its core values in all activities.

The EIT Community brand guidelines, which outline the use of the logo, EU co-branding, brand visuals and brand tone, will be shared with the two newly designated Innovation Communities.

Communications plan supporting the EIT brand

If you are selected as a new EIT Innovation Community in 2018, it is clear that you are set to achieve great things. All great things must be shared! Your communications strategy is an opportunity to convey your Innovation Community's unique way of approaching innovation and entrepreneurship. Communications should focus on what is being accomplished, while emphasising the benefits that your Innovation Community, as part of the EIT Community, brings to its partners, collaborators and society at large. The communication activities should strongly contribute to the development of the EIT Community brand and to the dissemination of results and emerging good practices.

The EIT will work closely with the newly selected Innovation Communities in setting up the communications activities.

> As partners, we can make a real difference and shape our future, Europe's future!

A plan for dissemination

To succeed, an Innovation Community must put forward its results, products and companies, to the market and to society at large. Dissemination of results is an opportunity to share what is happening across the EIT Community and beyond, while making a real change in how other organisations and individuals approach innovation.

Communication about the EIT Community should demonstrate the ways in which innovation and entrepreneurship activities are boosting innovation across Europe. To be successful, an Innovation Community must communicate and promote opportunities for cooperation and achievements by providing targeted information to multiple audiences in a strategic and effective manner.

By identifying, analysing and sharing good and novel innovation practices, the EIT Community seeks to ensure that knowledge generated within the framework of EIT Community activities is disseminated and capitalised upon for the benefit of people and organisations, including those not directly benefiting from working with the EIT Community.
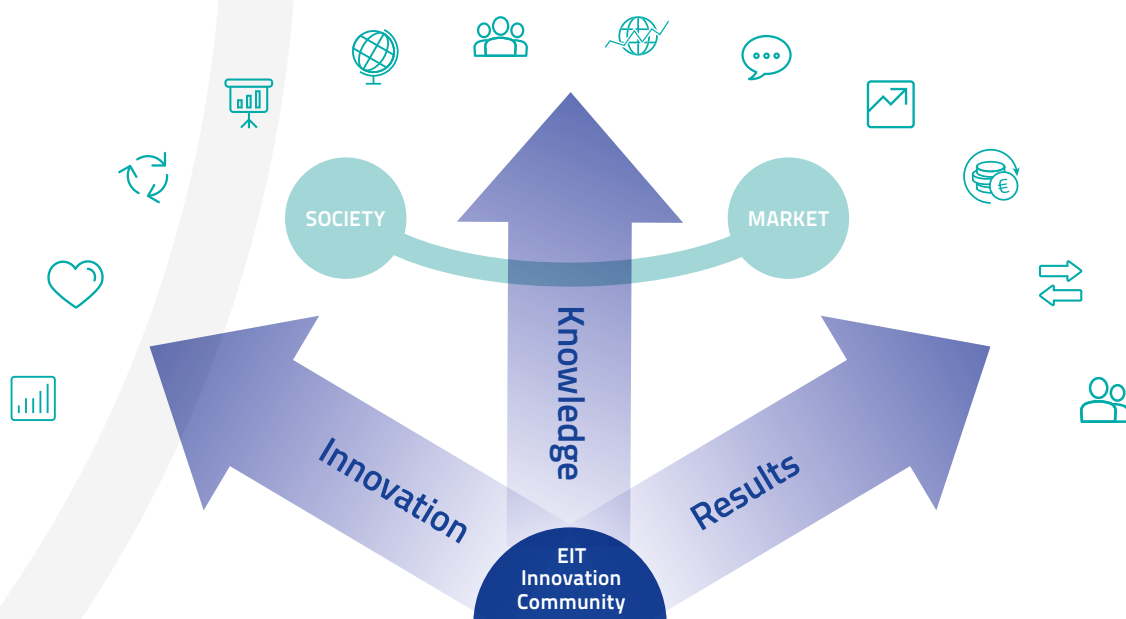
A plan to unlock the untapped innovation potential across Europe through the EIT RIS

Introduced in 2014, the EIT Regional Innovation Scheme (EIT RIS) is a new element of the EIT Community outreach strategy. It is the EIT's answer to disseminating best practices of the EIT Community and widening participation in its activities.

The EIT RIS contributes to boosting innovation in European countries and regions that belong to the groups of 'modest and moderate' innovators (according to the European Innovation Scoreboard[16]). It strives to achieve this by engaging local organisations and individuals in EIT Community activities, transferring good practices and know-how to the local innovation ecosystems, and providing tailor-made services to address innovation gaps.

Eligible countries

1) Bulgaria	16) Spain
2) Croatia	17) Romania
3) Cyprus	18) Albania
4) Czech Republic	19) Armenia
5) Estonia	20) Bosnia and Herzegovina
6) Greece	21) Faroe Islands
7) Hungary	22) Former Yugoslav Republic
8) Italy	of Macedonia
9) Latvia	23) Georgia
10) Lithuania	24) Moldova
11) Malta	25) Montenegro
12) Poland	26) Serbia
13) Portugal	27) Turkey
14) Slovakia	28) Ukraine
15) Slovenia	

The EIT RIS engages organisations from outside the Innovation Communities' partnerships in the world of innovation, fostering cooperation to create lasting and systemic impact, for a better integration of the knowledge triangle across the European innovation landscape. The EIT RIS is based on the following key principles:

- **Ecosystem approach**: The EIT RIS is focused on boosting regional and national innovation ecosystems of modest and moderate innovator countries by strengthening the capacity of their innovation enablers and actors and linkages among them based on knowledge triangle integration.

- **Implemented by Innovation Communities**: The EIT will encourage participation in the EIT RIS and provide support to the Innovation Communities as required.

- **Openness and transparency**: Participants will be selected by the Innovation Communities through open and transparent processes.

- **No automatic membership**: Participating in the EIT RIS does not imply a future partnership with an Innovation Community.

- **Funding**: Participants in the EIT RIS are encouraged to seek additional funding (national funding, structural funds, participants' own resources, etc.) to implement activities.

> **More information on the EIT RIS can be found in the EIT RIS Guidance Note 2018-2020:**
> **eit.europa.eu/sites/default/files/eit_ris_guidance_note_2018-2020.pdf**

[16] http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_en

An eye for synergies

Seeking collaboration at local, national and regional levels is an important element of an Innovation Community's synergies portfolio, bringing more companies and regions into the knowledge economy and giving a greater push to open innovation in the European Union. An Innovation Community, as a dynamic partnership itself, has a strong collaborative organisational culture. In its quest to learn new ways of doing things, it acknowledges the importance of working together with others. Each Innovation Community has a strategy for synergies and a roadmap to achieve its objectives by identifying:

- **Who**: with whom to work with
- **What**: activities of mutual interest
- **Where**: in which areas/programmes/policies
- **When**: the timeline of developing the collaboration
- **Why**: the added value of this collaboration

In this way, an Innovation Community gradually develops an extensive network of collaborating organisations at different dimensions and levels, thematic and horizontal, strategic and operational. Furthermore, it works closely with the EIT, which fosters synergies and interaction between Innovation Communities as well as with other actors at institutional level.

An Innovation Community seeks to establish a structured dialogue with the relevant European Commission services, with the aim of providing input and feedback to the relevant fields of policy making. Furthermore, it continuously seeks consistency with and contributes to the EU priorities, cooperation with other relevant EU programmes and stakeholders, and explores possibilities within new initiatives, through close interaction and consultative dialogues. An Innovation Community is always ready to take the opportunity for synergies and complementarities on a practical level, such as the EIT House in Brussels.

Innovation Communities engage with national and regional authorities to strengthen regional innovation and entrepreneurship through their Innovation Hubs. For example, an Innovation Community might work closely with national ministries or managing authorities, at strategy or programme level, by developing synergies with the structural and investment funds[17] in finding ways to support the implementation of smart specialisation strategies. As active innovation enablers for the local actors, the Innovation Hubs have a key role in regional and interregional economies.

[17] https://ec.europa.eu/research/regions/index.cfm?pg=synergies

3. Contractual relations and accountability

Relations between the EIT and its Innovation Communities, as the beneficiaries of the EIT grant, are laid down in different agreements that define their respective rights and obligations, ensure an adequate level of coordination, and outline the mechanism for reporting, payment and control arrangements, and monitoring and evaluating activities and outcomes.

These comprise two types of agreements:

• The long-term cooperation between the EIT and each Innovation Community is formalised within a seven-year **Framework Partnership Agreement (FPA)**. This agreement specifies the general rights and obligations of each party. The FPA can be renewed, subject to the EIT Governing Board's approval.

• The **Specific Grant Agreement (SGA)** is the contractual instrument through which the EIT implements 'specific grants' – typically on an annual basis – to finance Innovation Community added-value activities ('specific actions').

The EIT is an integral part of the EU's Framework Programme for Research and Innovation (Horizon 2020); consequently, the texts of the agreements are based on the Horizon 2020 rules and templates.

The agreements are signed by the EIT Director, as the EIT's legal representative, and the EIT Innovation Community's CEO, as its legal representative. An Innovation Community partner may benefit from the EIT grant through acceding to the FPA by signing an internal agreement with the legal entity and signing the Accession Form (Annex IV to the FPA).

Accountability

The Innovation Community shall assume responsibility for all decisions taken and actions implemented within the scope of the agreements signed between the EIT and the Innovation Community, in line with the rights and obligations stipulated within them. The Innovation Community is expected to set up a management and control system that functions in an efficient manner, ensuring sound financial management principles and providing a reasonable level of assurance. An integral element is that the cost of Innovation Community activities must be determined in accordance with the applicable provisions stipulated in the legal framework.
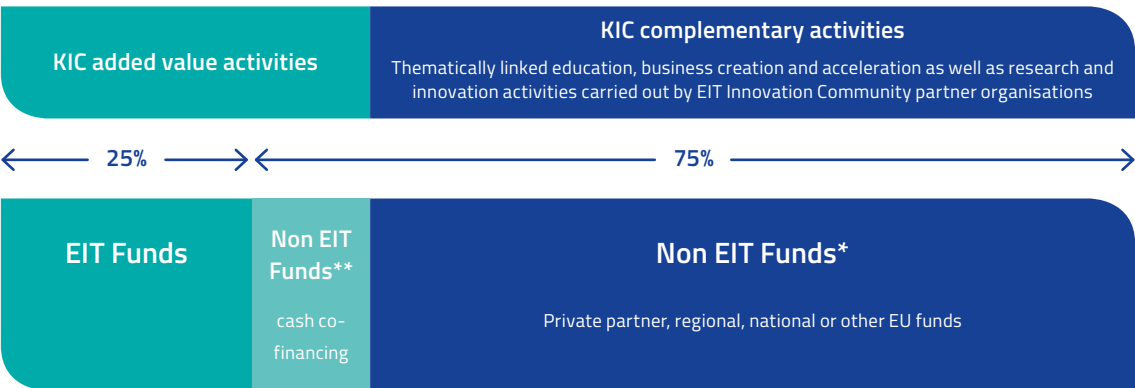
The FPA and SGA constitute the framework for the grant assurance of the EIT. Innovation Communities are liable and bound by the rules and regulations defined within them.

EIT funding model

The EIT funding model seeks to align, pool and eventually leverage the Innovation Communities' innovation investments. In order to meet these objectives, the EIT applies a funding model where the EIT financial contribution on average does not exceed 25% of an Innovation Community's overall resources over its lifetime.

The EIT financial contribution to each Innovation Community is provided in the form of a grant for action, where the EIT funding rate for the specific grant may be up to 100% of the total eligible. These are activities that contribute to the integration of the knowledge triangle and the overall objectives of the EIT, including the establishment, administration and coordination activities of the Innovation Communities. The main period of EIT funding to an Innovation Community is up to 15 years from its designation

KIC added value activities	KIC complementary activities
	Thematically linked education, business creation and acceleration as well as research and innovation activities carried out by EIT Innovation Community partner organisations

←—— 25% ——→ ←————————— 75% —————————→

EIT Funds	Non EIT Funds** cash co-financing	Non EIT Funds*
		Private partner, regional, national or other EU funds

* Complementary funding not provided directly to KICs; financing activities of KIC partners in the same area

** Cash co-financing provided by KIC Partners to the KICs' budget

and follows a bell-shape pattern: an increase in EIT funding over the first seven years, reaching then a peak and a plateau, followed by a progressive decrease in EIT funding until year 15, subject to specific conditions. In this regard, it is vital that an Innovation Community develops and implements its financial sustainability strategy, containing specific measures, with a view to reducing its dependency from EIT funding in the long term.

Other Innovation Community activities not financed by the EIT grant, known as KIC complementary activities, must contribute to the implementation of the strategy of the Innovation Community. Such activities must be linked with added-value activities to increase impact.

The EIT incentivises its Innovation Communities to co-finance added-value activities from other sources, supporting their way towards financial sustainability. An Innovation Community should attract further funding beyond their partners' own revenues and resources, such as private and/or public funding at national, regional and EU level; in particular the European Structural and Investment Funds and the Horizon 2020 programme. Full alignment with the mission of the EIT is a prerequisite to be eligible for EIT funding.

EIT investment pattern in Innovation Communities

Innovation Community1   Innovation Community2   Innovation Community3
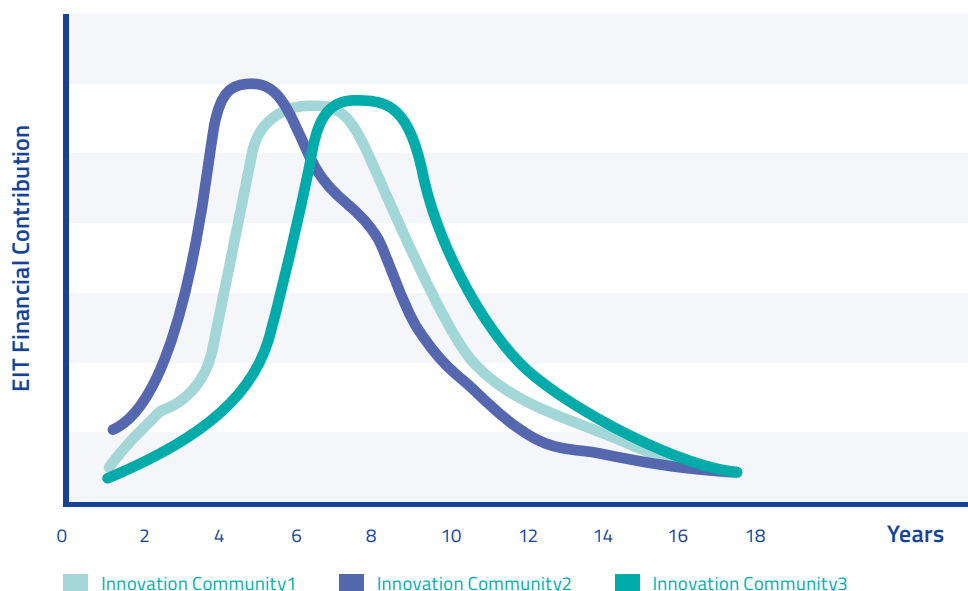
EIT label – a quality seal awarded to excellent entrepreneurship and innovation education programmes

The EIT is a unique European innovation initiative whose educational mission is to raise a new breed of entrepreneurs and innovators in Europe. This is achieved by delivering a distinctive brand of excellent and relevant education programmes responsive to both business and societal demands based on integration of the knowledge triangle.

Higher education partners in an Innovation Community focus on developing innovative curricula that provide students, entrepreneurs and business innovators with the knowledge and skills necessary for a knowledge and entrepreneurial society. These innovative programmes are based on partnerships between different universities, companies and research centres that collaborate closely and offer double degrees, international and cross-sectorial mobility experiences, as well as applied innovation and entrepreneurship education.

In order to achieve its goals, to implement learning outcomes coherently across the Innovation Communities, and to disseminate the experience at a large number of different European universities, the

EIT Quality Assurance and Learning Enhancement Model has been developed. The core of the model consists of a set of specific quality criteria and overarching learning outcomes addressing them. The EIT label can be awarded and renewed for educational programmes at Master and Doctoral levels offered by Innovation Communities, on the requirement that learners achieve these EIT overarching learning outcomes in addition to the learning outcomes of their educational programmes. This will result in more entrepreneurial graduates who are ready to innovate. The EIT label recognises this and helps identify them.

EIT monitoring system

Monitoring and evaluation are part of the management model of the EIT. A robust information and evidence base is required to work according to the principles of sound financial management. The overall objective of the EIT's Performance Measurement System is to support results-oriented monitoring of the implementation of the EIT strategy.

The EIT is responsible for the assessment of an individual Innovation Community's performance and those cross-Innovation Community elements that contribute to accomplishing the EIT's mission. The EIT Community's contribution to Horizon 2020 is monitored by the European Commission. Closely monitoring the Innovation Communities allows the EIT to promote cross-fertilisation among them.

The EIT's monitoring system is designed according to the following principles:

• Continuous

The EIT assesses an Innovation Community based on a continuous monitoring system. By ensuring accountability and identifying opportunities to improve operations, the EIT's monitoring system incentivises high quality results, innovation excellence and an efficient use of resources.

• Adaptive

The EIT monitoring system evolves with the maturity and growth of an Innovation Community's operations. This adaptive monitoring approach means that the EIT reviews its monitoring practices regularly and adapts them to the evolving context in which the EIT Community operates. The adaptive nature of the EIT's monitoring system is essential as the number of Innovation Communities grows and they develop at different speeds.

• Bespoke

There is a common underlying philosophy to the EIT's monitoring framework, and its implementation is suited to the different Innovation Communities. This includes a tailor-made approach for each Innovation Community that takes into account the thematic area that it operates in; each Innovation Community aims to overcome a particular societal challenge, and no two Innovation Communities are the same.

The EIT's innovation review system consists of three components: strategy, implementation, and results and impact.

• Strategy

The EIT Governing Board assesses the development and implementation of an Innovation Community's multiannual strategy as well as its contribution to the EIT's overall mission. The strategic assessment examines the integrated portfolio development and management and knowledge triangle integration. Conclusions from the assessment at strategy level provide insight into good practices and provide guidance for improving the EIT model. Monitoring the EIT strategy is coupled with the systematic collection of information on results, impact and context indicators.
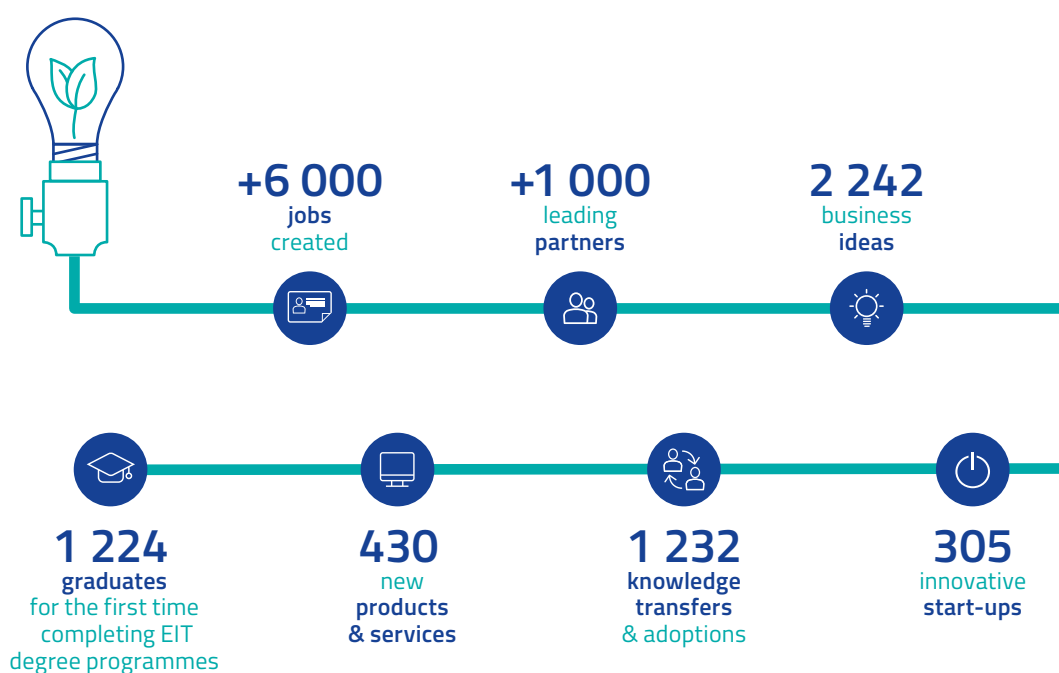
• Implementation

The EIT has devised a comprehensive set of well-defined indicators to monitor the implementation of an Innovation Community's Business Plan. These indicators enable the EIT to measure and communicate its contribution to Horizon 2020 objectives, to control EIT internal processes and to track the performance and progress in a standardised manner. The collection of indicators is complemented by on-site visits by EIT staff to verify actions and compliance and to obtain contextual information enabling a proper interpretation and assessment

of the information. Surveys are also organised to measure the degree of satisfaction of stakeholders of Innovation Communities and effectiveness of the EIT model (for instance, following the careers of graduates from EIT-labelled educational programmes).

• Results and impacts

The impact of EIT investments in its Innovation Communities is measured in terms of tangible benefits for the European economy and society at large, such as the creation of new businesses, products and services in existing and future markets, contributions to tackling societal challenges, better skilled entrepreneurial people, new and more attractive job opportunities, and the attraction and retention of talent from across the European Union and abroad. The system focuses on achievements, results, and the generation of both economic and societal impact to be benchmarked against best international practices. In order to have a comprehensive view of the impact brought about by the EIT and the Innovation Communities, the EIT evaluation system combines evaluations carried out by the European Commission with assessments of topics of strategic relevance for the EIT performed by either the EIT or the European Commission.

+6 000
jobs
created

+1 000
leading
partners

2 242
business
ideas

1 224
graduates
for the first time
completing EIT
degree programmes

430
new
products
& services

1 232
knowledge
transfers
& adoptions

305
innovative
start-ups

The EIT's Performance Measurement System consists of four levels, reflecting the multi-layered governance of the EIT, and is based on common strategic objectives resulting from the shared vision and values of the EIT Community:

① Innovation Community level

Monitoring of an Innovation Community on the basis of its individual targets and key performance indicators stipulated in its Strategic Innovation Agenda and its business plan. The indicators are defined by the Innovation Communities based on their internal strategies and organisation and, in turn, are used to define their activities and mobilise the resources needed and impact to be achieved in the specific sector.

② Cross-Innovation Community level

The EIT monitoring of all Innovation Communities, which focuses on a series of the EIT's strategic objectives, covers a common set of indicators across all Innovation Communities. The indicators are:

Area	Outputs	Results/Impacts
Education	Graduates from EIT labelled MSc and PhD programmes	Start-ups created by graduates from EIT labelled Msc and PhD programmes
Innovation	Products launched on the market	Start-ups created as a result of innovation projects
Business acceleration	Start-ups supported by Innovation Communities	Investment attracted by ventures supported/have been supported by Innovation Communities
Dissemination and communication	Success stories submitted to and accepted by EIT	External participants in EIT RIS programmes
Institutional	• Budget Consumption • Error rate	Financial sustainability: revenue of Innovation Community legal entity

Innovation Communities should also include an indicator on employment creation.

③ EIT level

The monitoring of the EIT's own activities, which combines quantitative and qualitative indicators in a medium-term perspective.

④ Horizon 2020

Monitoring and evaluation of the EIT as an EU body under Horizon 2020. The indicators for assessing the performance of the EIT are:

- Organisations from universities, business and research integrated in the Innovation Communities;
- Collaboration inside the knowledge triangle, leading to the development of innovative products, services and processes;
- New performance indicators in Horizon 2020.

4. Starting-up

If you are designated as an Innovation Community, the first year will be a critical but important period to help reach legal and operational readiness of the new Innovation Community together with the setting-up of the EIT Community brand identity. Partnership arrangements must be finalised, the legal entity established, permanent management team and staff recruited, and many details that were formerly theoretical become very real – such as intellectual property or Conflict of Interest policies. While it is primarily the responsibility of the designated partnership to ensure a good start, the EIT will incentivise and support the new Innovation Communities through a specific Start-up Grant to reach legal and operational readiness, and set up the right governance and management structure, in accordance with the commitments made in the proposal. Among other things, this ensures that contracts are signed on time.

The EIT may provide a Start-up Grant of up to €4 million to the designated partnership during the start-up phase. This is to help the Innovation Community to:

- set up necessary governance and legal structures;

- recruit and appoint the CEO and other core staff;

- design and agree on the practical modalities for the implementation of activities;

- implement the EIT Community brand identity;

- prepare an integrated portfolio of activities in the first business plan;

- prepare monitoring, reporting and evaluation functions for the legal entity;

- deliver an initial set of other activities (i.e on education, innovation, business creation, communication).

In addition, when justified, the EIT Start-up Grant may finance some initial higher education, research and innovation, and business creation activities that directly contribute to the rolling-out of the first business plan after the signing of the Framework Partnership Agreement and Start-up Grant Agreement. The EIT will continuously monitor the implementation of all the preparatory actions based on a set of objectives, deliverables and milestones included in the Start-up Grant Agreement.

Upon designation, the EIT will provide the successful partnership with a Designation Package to guide the Innovation Community through its start-up phase.

The partnership will then be asked to provide a plan of start-up activities together with the estimated budget. Given that the partnership structure will not be legally ready to receive an EIT grant at this point (i.e. as the legal entity will not exist yet), the EIT may provide a multi-beneficiary grant, under the Horizon 2020 programme, to the coordinator of the proposal and initial partners delivering the start-up plan.
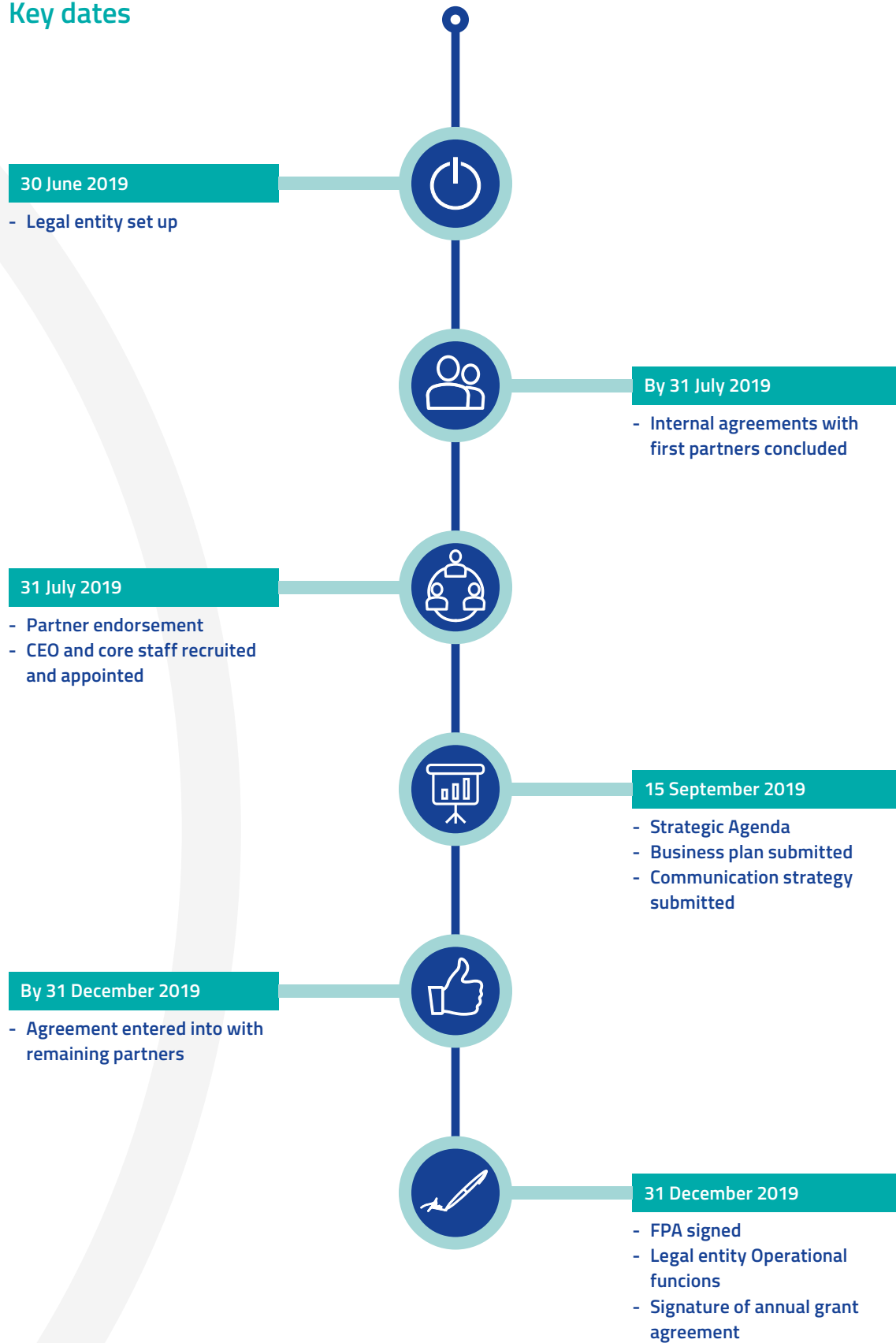
A successfully completed start-up period will then result in the signing of the Framework Partnership Agreement and the first grant agreement to implement it.

List of indicators to monitor preparatory actions (part of the Start-up Grant Agreement (SUGA))

Objectives	Milestones	Main deliverables	Expected deadlines
Legal readiness	Set up of legal entity	Extract from the registry	30 June 2019
	Conclusion of agreements between legal entity and partners in line with FPA provisions	Internal agreements concluded for:	
		- At least 30 partners	By 31 July 2019
		- Remaining partners	By 31 December 2019
	Endorsement and Signature of the FPA	- Endorsement by at least 30 partners	31 July 2019
		- Strategic Agenda	15 September 2019
		- FPA signed by legal entity and the EIT with a list of at least 30 partners	31 December 2019
Operational readiness	Recruitment and appointment of CEO	Confirmation of handing over duties from the coordinator to the CEO	31 July 2019
	Recruitment and appointment of core staff of the Innovation Community (COO, Thematic Directors, Innovation Hub managers)	Confirmation of taking up duties	31 July 2019
	Set up of operational functions at legal entity level	Declaration of readiness of accounting system from legal entity	31 December 2019
		Reporting and monitoring system designed and initial implementation started	31 December 2019
Fostering EIT identity	Business plan 2020 developed and submitted	Proposed business plan submitted	15 September 2019
		Signature of annual grant agreement	31 December 2019
	Development of the communication policy, contributing to the EIT Community's visibility and identity	Communications strategy submitted	15 September 2019

Key dates

30 June 2019
- Legal entity set up

By 31 July 2019
- Internal agreements with first partners concluded

31 July 2019
- Partner endorsement
- CEO and core staff recruited and appointed

15 September 2019
- Strategic Agenda
- Business plan submitted
- Communication strategy submitted

By 31 December 2019
- Agreement entered into with remaining partners

31 December 2019
- FPA signed
- Legal entity Operational funcions
- Signature of annual grant agreement

5. The last word

There is more to running an EIT Innovation Community, of course. But it is important to not lose sight of the big picture as you develop the details of your plan, which is that the EIT Community is bringing real and lasting change to the EU's innovation landscape – and this is your opportunity to get on board. If you have the inspiration, drive, talent, knowledge and skills to start and manage one of the EIT's newest Innovation Communities, we want to support you as you make vital contributions to solving some of the greatest challenges in Europe and the world.

We hope that this Framework of Guidance has helped give you a clearer idea of what EIT Innovation Communities are really about. They demand a great deal of hard work and dedication, but the result is worth the effort. If your proposal is selected, you will be provided with the support and resources you need to make your dreams and inspirations into a tangible reality, improving the lives of millions of people today while guaranteeing a brighter future for generations to come.

The EIT was formed to bring together a critical mass of excellent innovators and entrepreneurs, strengthen collaboration across sectors, and attract top talent from all over the world – with the collective aim of building a better world. Now Europe's largest innovation network wants to hear from you.

The Call for Proposals is officially published on 12 January 2018. All necessary documents are available on our website:
eit.europa.eu/collaborate/2018-call-for-proposals

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