



European Institute of  
Innovation & Technology

A body of the European Union



# MAKING INNOVATION HAPPEN

**EIT Innovation Model**

**November 2024**



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# INTRODUCTION

Europe is facing significant challenges, such as the climate crisis, the need for sustainable energy, health risks such as pandemics and demographic change, the sourcing of raw materials and the need for resilient food systems, to name but a few. When tackling these challenges, opportunities brought by innovation and entrepreneurship are a key part of the solution.

With its wealth of top universities, strong companies and excellent research organisations, along with a strong pool of well-educated and skilled individuals and highly innovative start-ups, Europe is well-placed to grasp these opportunities. However, translating this strong base of organisations and individuals into innovative scalable solutions with a global impact requires finding new ways to collaborate, and that's precisely where the European Institute of Innovation and Technology (EIT) comes in.

The EIT is an independent EU body boosting Europe's innovation capacity as an integral part of Horizon Europe, the EU's funding programme for research and innovation for 2021 to 2027.

The EIT strengthens Europe's ability to innovate and its competitiveness by creating sustainable growth and skilled jobs and by powering solutions to pressing global challenges. The EIT Community, Europe's largest innovation ecosystem, has set up an environment that is conducive to powering innovation by connecting innovators, students and learners, entrepreneurs and relevant organisations.

The EIT supports the development of dynamic, long-term pan-European partnerships by bringing together organisations from business, education and research to find solutions to pressing global challenges. These partnerships are called EIT Knowledge and Innovation Communities (KICs) and each is dedicated to a specific global challenge, from digitalisation to added-value

manufacturing and raw materials and urban mobility. Together with its leading partners, the EIT community offers a wide range of activities for students, learners, innovators and entrepreneurs across Europe: entrepreneurial and innovation courses, innovation-driven research projects and business creation and acceleration services.

Since 2010, the EIT has launched nine EIT KICs. In 2010, EIT Climate-KIC, EIT Digital and EIT InnoEnergy were created, followed by EIT Health and EIT RawMaterials in 2014 and EIT Food in 2016. 2018 saw the creation of EIT Manufacturing and EIT Urban Mobility. Under Horizon Europe (HE), the EU framework programme for research and innovation, the EIT is also growing its ecosystem and innovation support to new sectors as outlined in the [EIT Strategic Innovation Agenda 2021-2027](#). This saw the EIT designate EIT Culture & Creativity in 2022. A call for a new KIC tackling challenges facing the water, marine and maritime sectors and ecosystem will also be launched in 2025.

Is this an opportunity for you, as an eager innovator with your partners, to innovate with the EIT? Like any ecosystem in nature, the EIT innovation ecosystem must weather the elements of an ever-changing world. We have to work hard, think big, plan, adjust and deliver results. The EIT Community is a rich and diverse innovation ecosystem, with a proven, tried and tested innovation model that has delivered lasting results and solutions to some of the world's most pressing challenges. The EIT community is ready to expand and grow its network to include more partners. So join us and let's make innovation happen!

# INNOVATING WITH THE EIT

## WHAT IS THE EIT?

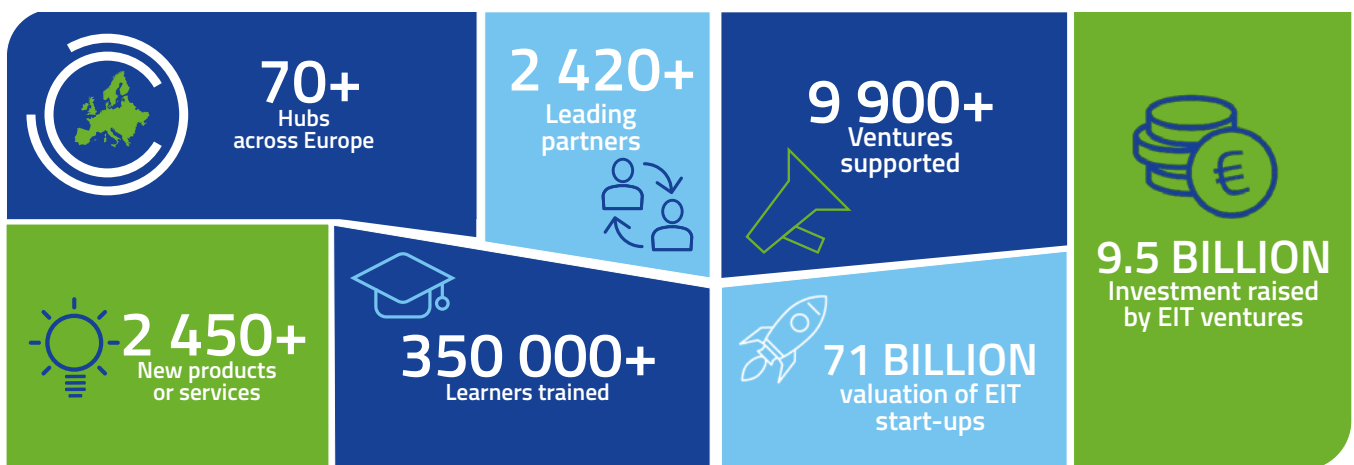
The EIT was created to strengthen Europe's ability to innovate and create sustainable growth and skilled jobs in Europe. To strengthen Europe's ability to innovate, action is needed to overcome the fragmented European innovation landscape. The EIT therefore joins forces with its multi-disciplinary ecosystem of leading organisations from business, education and research across the EU to provide opportunities for students, innovators and entrepreneurs across the EU and beyond.

Together with its partners, the EIT Community offers a wide range of education, innovation and entrepreneurship activities across Europe to empower students, innovators and entrepreneurs to turn their best ideas into innovative solutions and products and services that address the needs of citizens. From student and researcher to entrepreneur, from lab to market and from idea to product and service – the EIT accelerates the transition towards a more innovative and entrepreneurial Europe.

The EIT Community delivers a pipeline of skilled talent, cutting-edge solutions and ground-breaking start-ups along with the supportive environment for innovation to thrive. It focuses on results and the ambition to achieve long-lasting impact in the way the EU approaches and manages innovation. It is therefore critical that EIT KICs continuously demonstrate substantial impact over time, along with progress towards achieving their mission and objectives.

As an integral part of Horizon Europe's Pillar 3 'Innovative Europe', the EIT contributes to achieving Horizon Europe's objectives by:

- strengthening sustainable innovation ecosystems across Europe;
- fostering the development of entrepreneurial and innovation skills in a lifelong learning perspective and supporting the entrepreneurial transformation of EU universities;
- bringing new solutions to global societal challenges to the market;
- creating synergies and added value within Horizon Europe.



Results as of August 2024

## OUR VISION IS TO:

Become the leading European initiative that empowers innovators and entrepreneurs to develop world-class solutions to societal challenges and create growth and skilled jobs.

## OUR MISSION IS TO:

Increase Europe's competitiveness, its sustainable economic growth and job creation by promoting and strengthening cooperation among leading business, education and research organisations.

The EIT's legal basis is the [EIT Regulation](#) that sets out its mission, its key tasks and the framework for its functioning. The EIT's strategy, priorities, objectives, key measures, activities, mode of operation and expected impacts are presented in the [EIT Strategic Innovation Agenda 2021–2027](#).

## HOW DOES THE EIT WORK?

The EIT supports multi-disciplinary and pan-European partnerships – the EIT KICs – that bring together innovative companies, research centres and universities. Each KIC focuses on a different societal challenge, now ranging from the development of sustainable energy sources to encouraging active ageing or sustainable food production.

Each KIC proposes its own strategy, business plan and governance and uses the central EIT funding as seed money to leverage existing investments and attract investors. Importantly, every EIT KIC holistically builds innovation ecosystems through a portfolio of activities addressing their designated societal challenges and integrates Europe's leading players in education, research and business. And each delivers results and impact with activities designed to become financially sustainable over time.

The EIT's governance model has two levels. The EIT Governing Board (GB), consisting of leaders in business, research and education and an observer representative from the European

Commission, provides the strategic direction for the entire EIT Community. It is independent and autonomous in its decision-making and is responsible for the selection, evaluation and support of the EIT Knowledge and Innovation Communities. Under the leadership of the EIT Director, a centralised, small and efficient staff at the EIT guides, monitors and supervises the KICs and manages the EU funding. The EIT also steers the EIT's education, innovation and business creation strategy and communicates about the EIT Community's activities and achievements.

## AN IMPACTFUL INNOVATION ECOSYSTEM

The EIT and its KICs deliver significant impact for the EU:

- **Technological, economic and innovation impact**, by influencing the creation and growth of businesses, along with the creation of new innovative solutions to address global challenges, creating direct and indirect jobs and mobilising additional public and private investments;
- **Scientific and educational impact**, by enhancing innovation and entrepreneurial skills both at the individual and organisational levels, and fostering the creation and diffusion of knowledge and innovation within society;



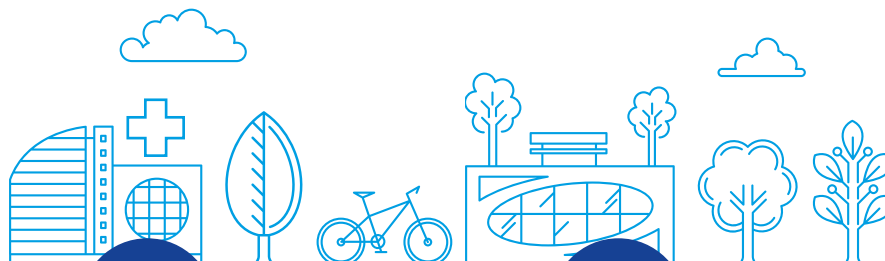
### EIT Climate-KIC

Accelerate the transition to a zero-carbon economy



### EIT Digital

Drive Europe's digital transformation



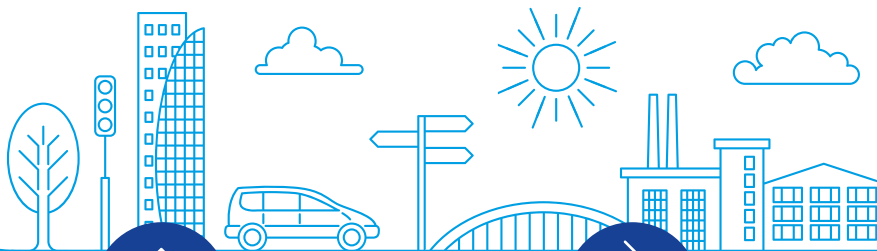
### EIT Health

Give EU citizens greater opportunities for a healthy life



### EIT Food

Lead a global revolution in food innovation and production



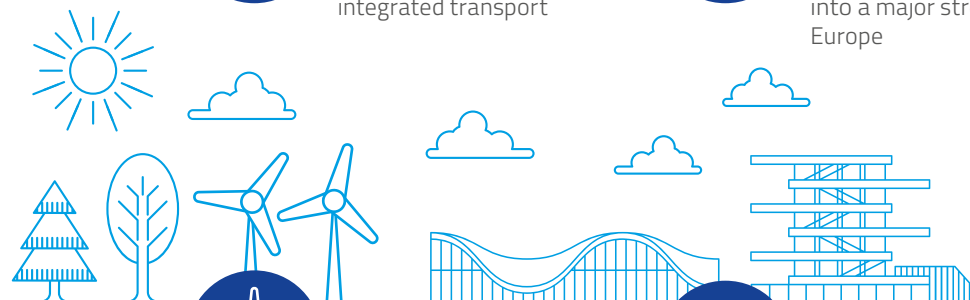
### EIT Urban Mobility

Smart, green and integrated transport



### EIT RawMaterials

Develop raw materials into a major strength for Europe



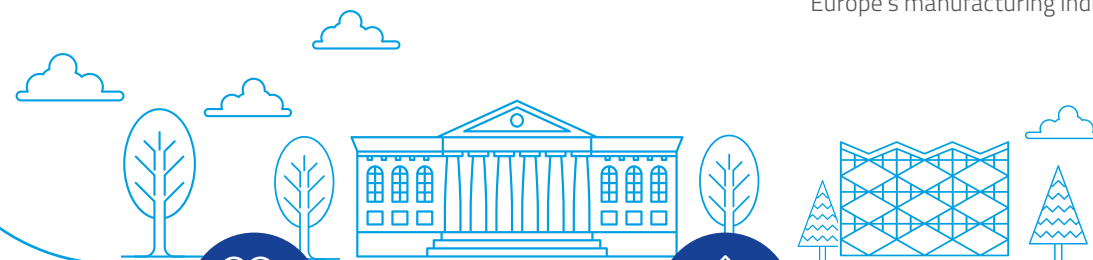
### EIT InnoEnergy

Achieve a sustainable energy future for Europe



### EIT Manufacturing

Strengthen and increase the competitiveness of Europe's manufacturing industry



### EIT Culture and Creativity

Unite Europe's creatives



### EIT Water

Coming soon!

- **Societal impact**, including the impact derived from the delivery of systematic solutions within and beyond the EIT Community, and by addressing EU policy priorities in the fields of climate change (such as mitigation, adaptation and resilience), energy, raw materials, health, added-value manufacturing, digital, urban mobility, food, culture and creativity, or water through innovative solutions, engagement with citizens and end users, and by strengthening the uptake of innovative solutions in these areas.

This EIT approach to building systemic impact is aligned with and contributes to the Horizon Europe impact pathways approach. Along with its inherent commitment to maximising impact, the EIT has developed an Impact Framework aligned with the Horizon Europe key impact pathways to further strengthen its impact-focused approach.

## WHAT DOES THE EIT DO?

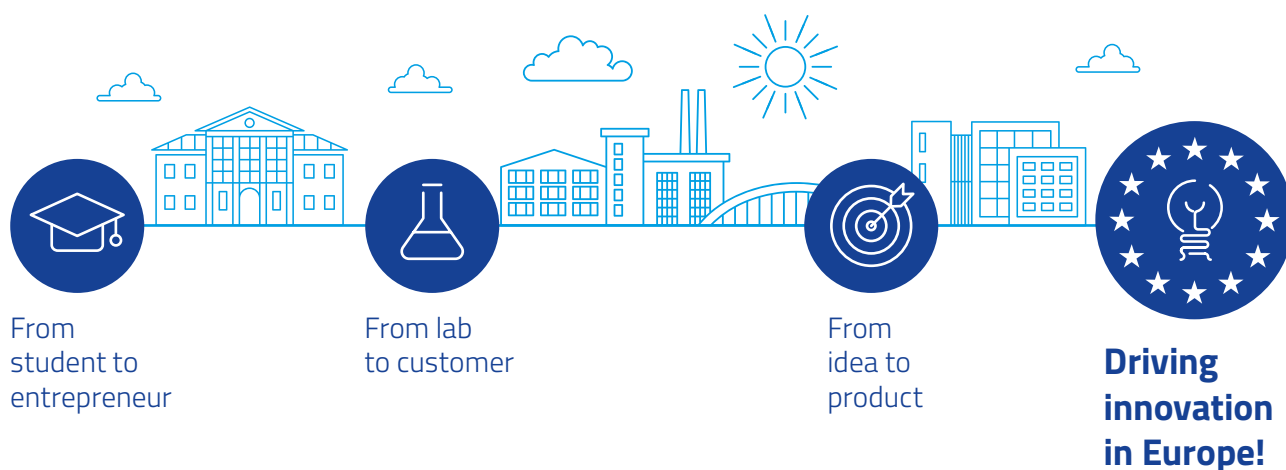
The EIT was created to drive innovation in Europe. It supports its KICs in becoming financially sustainable with the goal of ultimately creating independent business and results-oriented innovation communities. To achieve this independence, the KICs must develop and implement revenue-creating strategies to maintain their innovation ecosystem and activities beyond the period covered by the Partnership Agreements. Thus, through its KICs,

the EIT develops and tests new models of how innovation is managed, financed, delivered and sustained in Europe. To do this, the EIT has also created and steered a new environment in which innovation thrives and generates breakthroughs in the way business, higher education and research collaborate.

This approach helps address the increasingly complex and interlinked societal challenges set out in Horizon Europe. It combines sectoral and cross-sectoral innovation and brings together people from different sectors, backgrounds and disciplines who would otherwise not necessarily meet. Together, they jointly find solutions to challenges by developing innovation projects.

## EIT entrepreneurial education and skills development

The EIT makes higher education an integral – and often currently missing – component of a comprehensive innovation strategy. As such, the EIT fosters entrepreneurship in its higher education and R&I activities by promoting excellent entrepreneurial education and skills development programmes. The entire EIT Community education offering comes together as part of the EIT Campus and EIT education and training activities to:





- address disciplines to meet critical European socioeconomic needs and expand the EU's talent base;
- promote the development and improvement of relevant innovation, entrepreneurial and leadership skills;
- encourage the mobility of researchers and students;
- foster knowledge-sharing, mentoring and networking among recipients.

The EIT Community's higher education partners focus on building upon existing excellence in education to provide students, entrepreneurs and business innovators with the knowledge, competences and skills necessary for a knowledge economy and an entrepreneurial, digital and sustainable society. These innovative programmes are based on partnerships between different partners in EIT KICs, i.e. higher education institutions, companies, public bodies, non-governmental organisations and research centres, that collaborate closely and offer transnational and cross sectorial mobility experiences, as well as applied innovation and entrepreneurship education.

The EIT has developed the EIT Label, a quality seal awarded to education programmes fulfilling several criteria covering innovation, entrepreneurship, leadership and creativity learning outcomes, skills and competences. These programmes are based on the principle

of knowledge triangle integration, building partnerships with companies and research centres to ensure highly integrated and innovative learning-by-doing curricula. Under the EIT's Strategic Innovation Agenda, the EIT Label will be extended to lifelong learning activities, such as mentoring, vocational training, skilling, re-skilling and up-skilling programmes and online courses. These will involve and include a wider target group of students, adult learners and institutions, including vocational education and training institutions from outside the KICs. The application of the EIT Label beyond the EIT Community is expected to have a more structuring effect at all levels (individual, programme and institution).

The EIT launched the [EIT Higher Education Initiative](#) in 2021. This initiative is increasing the entrepreneurial and innovation capacity of higher education across Europe by promoting and supporting institutional change in higher education institutions (HEIs) and their integration into innovation ecosystems. More specifically, the initiative is encouraging these institutions to critically assess their own practices and develop concrete measures based on a strategic approach to increase their impact on their respective ecosystems.

The EIT's strong focus on tech skills is also demonstrated through the European Commission's New European Innovation Agenda [Deep Tech Talent Initiative](#) where the EIT Community will train 1 million with deep tech skills by 2025.

## INNOVATION IN ACTION

### **Anna Vanderbruggen, researcher at the University of Lorraine**

EIT RawMaterials supported Anna Vanderbruggen's groundbreaking discovery of a new method of extracting graphite from lithium-ion batteries during her time with its EMerald Masters programme in Georesources Engineering. Her process opens the door to more efficient graphite and metal recycling and obtaining two valuable products from the recycling process instead of one. On a global scale, this could enable Europe to reduce its reliance on external raw materials and reduce its environmental footprint. Anna won the 2022 EIT Change Award for this valuable work.

### **Mohamed Elamir, co-founder of Woamy**

EIT RawMaterials supported Mohamed Elamir's creation of Woamy, a start-up specialising in cellulose-based biofoams. The biofoams are 100% biodegradable and are stronger, better at shock-proofing and provide more insulation than plastic foams. Mohamed started his EIT Journey with EIT RawMaterials' AMIS Master's programme, supporting Woamy with business and STEM training sessions and courses. Mohamed's achievements were recognised with him winning the 2024 EIT Change Award.

### **EIT LABEL - DISTINCTIVE FEATURES**

- Specific innovation and entrepreneurship activities focused on linking the research / innovation to the broad needs and societal challenges;
- Focus on entrepreneurship education is a standard part of the programmes;
- Highly integrated, innovative "learning-by-doing" curricula;
- Strong focus on industry and business involvement;
- Focus on international and trans-organizational mobility, European dimension and openness to the world;
- Direct access to other entrepreneurship activities (incubators, accelerators);
- Graduates can benefit from being part of a growing EIT Alumni community of innovators, entrepreneurs and experts.

### **EIT Alumni**

The [EIT Alumni Community](#) is an interdisciplinary and multicultural network of networks bringing together professionals from different countries and sectors.

All graduates from EIT KICs' entrepreneurial, education and business acceleration programmes benefit from being part of the growing EIT Alumni Community, which brings together entrepreneurs and innovation enthusiasts who share a common vision for how they can bring about positive social impact.

## Innovation projects

Innovation is at the heart of all the EIT's activities and the EIT model is well positioned to reduce fragmentation and to encourage activities that would otherwise not develop, for reasons of market, systems and orientation failure.

EIT KICs go beyond the administration of funding and the facilitation of the co-creation process, especially compared with existing EU and national initiatives. They are characterised by an ability to be adaptive and responsive to market and societal trends, as demonstrated by their agile response to the COVID-19 pandemic and the Russian war of aggression against Ukraine.

EIT KICs bring facilitation and networking competences that accelerate innovation development, resulting in the effective commercialisation of research results in cutting-

edge innovation projects. Through their pan-European networks, EIT KICs link innovation stakeholders from specific environments and sectors with others. They help spread the dynamics of established ecosystems across Europe and connect otherwise isolated pockets of excellence with each other.

EIT KICs have a large degree of autonomy in defining their internal organisation, composition, agenda and working methods, allowing them to choose the approach and range of activities that are best suited to meet their strategic innovation goals. EIT funding for innovation projects strongly supports the integration of the knowledge triangle (business, higher education and research) in specific innovation projects. These funded activities are typically selected by the KICs through open calls.

## INNOVATION IN ACTION

### Altris

EIT InnoEnergy has backed Swedish start-up Altris through the scaling-up process as it became a larger company. Altris specialises in sodium-ion batteries, offering competitive battery performance at lower production costs. This is an ideal solution for energy storage systems and light electric vehicles. EIT InnoEnergy has played a pivotal role in Altris' journey through their programme supporting IP strategy, equity investments, and strategic partnerships. The company has already secured substantial funding in a Series A round. Altris won the 2024 EIT Innovation Team Award for its innovation.

### ecop

ecop is an innovative Austrian company offering rotation heat pumps that recycle industrial waste heat. This innovation saves up to 2 500 tonnes of emissions per machine per year and reduces energy and operational costs. In 2022, ecop won the EIT Awards (Innovators Award). Following this, EIT InnoEnergy offered invaluable network support to the team, helping ecop on its path toward internationalisation. The start-up benefited greatly from the active support and the network, specifically in the search for sales partners and in communication, but also through strategic inputs and the exchange in the circle of investors. This combination of early recognition and network support laid the foundation for ecop's growth, which was further accelerated by later-stage funding from the EIC Accelerator.

## Business creation

The EIT empowers entrepreneurs and innovators across Europe and beyond to turn their best ideas into products, services and jobs. Indeed, creating more innovation and more jobs through fast-growing, innovative firms is one of the EU's key innovation objectives. As such, a cornerstone of the EIT's activities is to support innovation in existing companies and the creation of new business opportunities. The vital ingredients in fostering entrepreneurial activities are ensuring access to finance, new customers and new markets, along with providing support for enhancing business skills.

One of the challenges is achieving a shift in the perception and recognition of entrepreneurs in Europe. This is why boosting and encouraging entrepreneurs and companies to embrace innovation and supporting their path to commercialising their innovations are among the EIT's top priorities. To that end, the EIT facilitates cross-learning on entrepreneurship and acts

as a gate opener as Europe's largest innovation ecosystem.

Through their business creation and acceleration programmes, all EIT KICs offer a range of business support services that help entrepreneurs and innovators translate their ideas into successful, thriving ventures. These services focus on areas such as support for technology, market assessment, access to human resources, access to new markets and customers, mentoring and seed and venture capital through specific KIC innovation funds and investor networks.

The EIT Community's added value stems from supporting entrepreneurs through its network of EIT innovation hubs and contacts to develop a clear strategy for European and global market entry. It reduces the existing fragmentation around national markets and overcomes entrepreneurs' fear of 'going European' or global at an early stage. The wide range of start-ups supported by the EIT Community can be discovered on Dealroom.

## INNOVATION IN ACTION

### Enline

Enline, a Portuguese company and the winner of the 2024 EIT Award (Venture Award) uses its sensor-less Digital Twin technology, advanced analytics, and AI-driven algorithms to optimise power transmission asset monitoring. Its innovative solution optimises renewable project designs, enhances energy efficiency, and reduces losses and emissions. EIT InnoEnergy has supported Enline since its early stages of development in 2019 via funding, business development and various other services. Most recently, EIT InnoEnergy has been instrumental in helping Enline expand into the US market, assisting with the opening of their subsidiary in Boston, MA. With this continued support, Enline successfully secured EUR 3.5 million in a growth capital pre-series A funding round, which will help accelerate its further global expansion..

### Vilisto

Vilisto won first place at the 2022 Venture Awards with its self-learning thermostat that improves energy efficiency in non-residential buildings. In offices and educational institutions, many rooms are unused 80 per cent of the time, yet are heated non-stop since usage patterns are not usually taken into account. Vilisto can help companies and municipalities save up to 32 per cent of their heat consumption and reduce their CO2 emissions. EIT InnoEnergy provided support to the German venture in sales operations, international networking and also secured funding as part of a seven-figure investment round which fostered the growth of the Hamburg-based company.

## EIT women entrepreneurship and leadership

Gender equality, including gender diversity in decision-making positions, is recognised by the EIT not only as a core value and principle of the EU, but also as a key element to enhance innovation capacity and increase returns on investment. The EIT Community effectively bridges gender gaps in European innovation and entrepreneurship through gender mainstreaming measures and targeted initiatives to power women-led ventures and deep-tech innovation, among other critical contributions by women to the innovation ecosystem.

Some examples of EIT Community women-focused projects include:

- Girls Go Circular (GGC), which to date has trained more than 40 000 schoolgirls aged 14–19 across Europe, equipping them with

digital and entrepreneurial skills for the circular economy;

- LEADERS, a competition that recognises women innovators that lead the development of solutions for key challenges in the manufacturing sector in countries that are defined as moderate or emerging innovators by the European Innovation Scoreboard;
- SUPERNOVAS, which powers women's presence in the European entrepreneurship and investment worlds through, among others means, education and networking;
- SUPERNOVAS Women Investment Network, launched in 2023, a growing community of investors (venture capital and business angels) focusing on professional development, networking and investing in women-led start-ups.

## INNOVATION IN ACTION

### S.Lab

EIT Climate-KIC powered the progress of S.Lab in 2022, when the young start-up participated in its ClimateLaunchpad. The programme provided the company with mentoring and networking opportunities, supporting it on its way to eventually becoming the 2024 winner of the EIT Women Leadership Award. S.Lab developed green packaging based on two plant-based solutions: agricultural waste and mushroom roots. The resulting material is strong and reliable enough to replace polystyrene and is 100 % biodegradable.

### ADVITOS

EIT Digital provided the German health-tech company ADVITOS with business acceleration support, guiding it through a major EUR 20 million funding round. The company was especially rewarded by the EIT when its co-founder Catherine Schreiber took home the EIT Women Leadership Award in 2022. The company was recognised for its ADVOS system, the world's first 4-in-1 organ support system for lungs, liver, kidneys and acid-base balance. It eliminates carbon dioxide and toxins in the body and corrects metabolic and respiratory acidosis.

## EIT Regional Innovation Scheme (EIT RIS)

The EIT Regional Innovation Scheme (EIT RIS) is steered by the EIT and implemented by its KICs, a mandatory and integral part of the KICs' multiannual strategies. EIT RIS activities support the innovation capacity of countries and regions classified as emerging and moderate innovation performers according to the [European innovation scoreboard](#). Since its establishment in 2014, the scheme has significantly expanded EIT Community activities to more countries and regions across Europe, contributing to a pan-European spread of EIT Community engagement opportunities and networks. The scheme has been greatly enhanced to increase the EIT Community's regional impact in line with the EIT SIA 2021-2027. The EIT RIS also focuses on the [EU's outermost regions](#) to foster their integration into the EIT Community.

The [EIT RIS Implementation Framework 2022–2027](#) provides guidance to KICs in implementing the enhanced EIT RIS and fully delivering on the following objectives:

- Improve the innovation capacities of the local ecosystem via capacity building activities and

closer interactions between local clusters, networks, regional public authorities, higher education institutions (HEIs), research organisations, vocational education and training (VET) institutions, small and medium-sized enterprises (SMEs) and other innovation actors.

- Support the objective of attracting and facilitating the integration of potential new partners in the EIT KICs and link local innovation ecosystems to pan-European innovation ecosystems, including through the establishment of Co-Location Centres (CLCs) and RIS Hubs as part of a 'place-based' innovation approach.
- Serve as a bridge towards relevant R&I strategies for [smart specialisation](#).
- Leverage additional private and public funding, with particular attention to European structural and investment funds (ESIF).

The Implementation Framework helps ensure that by 2027 the EIT RIS will have contributed to the advancement of the innovation performance of the targeted countries and their regions. It

## INNOVATION IN ACTION

### EIT Jumpstarter

EIT Jumpstarter is the flagship pre-accelerator programme for central-eastern and southern European countries, run jointly by all EIT KICs. It is a highly acclaimed start-up creation programme, winning the Best Association Training Initiative award at the European Association Awards in 2019 and the Young Empowerment Award 2020 at the Emerging Europe Awards.

### EIT Health RIS hub Romania

The Cluj Napoca EIT Health RIS hub in Romania, run by FreshBlood HealthTech, is capitalising at the intersection between IT and healthcare. The EIT Health hub is now one of the most visible hubs in Romania. It has become a reference partner in Health Innovation, recently confirmed by interest to collaborate from the Nicolae Testemitanu State University of Medicine and Pharmacy in Chisinau (Moldova) and Transilvania University of Braşov.

will have strengthened the capacity of their innovation enablers and actors and the linkages among them, through the dissemination of the Knowledge Triangle Integration approach. The Implementation Framework allows EIT KICs a certain degree of flexibility in designing their EIT RIS activities. They align them with their multiannual strategies and priorities as long as they result in the desired tangible deliverables and impact, especially in terms of widening participation in the KICs.

- The EIT RIS Implementation Framework is complemented by the [EIT RIS Hubs Minimum Standards and Guiding Principles](#). These serve as a common strategic approach, underpinning the establishment and operation of all EIT RIS Hubs including a new network of EIT Community RIS Hubs. All KICs undertake a 'place-based' innovation approach and engage local organisations to serve as EIT Hubs in EIT RIS countries and regions. Local organisations are selected through an open competitive selection process and are designated to function as an EIT RIS Hub for a specific KIC. The primary roles of the EIT RIS Hubs are to ensure the visibility of the EIT Community and raise awareness of activities and cooperation opportunities for local innovation actors, along with attracting and facilitating the engagement of new participants in EIT KIC activities. EIT RIS Hubs also liaise with the relevant national, regional and local authorities and facilitate the sharing of EIT KIC expertise with them.

In 2023, the EIT also started establishing EIT Community RIS Hubs to serve as one-stop-shops for the entire EIT Community. These hubs provide local innovators with a centralised source of information on all services and opportunities provided by the entire EIT Community. They also serve as a gateway to all EIT KICs, bringing an increasing number of participants into EIT Community activities. The hubs also spearhead the EIT Community's engagement with local

authorities, including through policy support and provision of expertise. Where an on-the-ground EIT Community presence already exists, the EIT Community RIS Hubs consolidate and scale up ongoing activities. They may also implement joint EIT Community activities tailored to local needs.

## **International cooperation and global outreach**

The EIT, in cooperation with the European Commission, tackles global challenges. It contributes to relevant international initiatives and the UN Sustainable Development Goals, and ensures access to talent and enhanced supply and demand for innovative solutions. The EIT aims to become the leading European initiative that empowers innovators and entrepreneurs to develop world-class solutions to societal challenges and create growth and skilled jobs.

To contribute to competitiveness and reinforce the international attractiveness of the European economy and its innovation capacity, the EIT and its KICs play a crucial role in attracting partner organisations, researchers and students from all over the world, cooperating with non-EU organisations. In line with the EU's strategic priorities, the EIT Community wants to promote international cooperation in research and innovation by creating a strong European brand and forging relations with key partners from around the globe. This enables the EIT to position its innovation model at the international level, in alignment with existing EU and Member State initiatives and it also allows:

- access to the latest knowledge and the best talent worldwide;
- global societal challenges to be tackled more effectively;
- business opportunities for innovators in new and emerging markets.

As a result of these global ambitions, three shared EIT Community hubs have already been established in Israel (Tel Aviv), the United Kingdom (London) and the United States (Silicon Valley). Hub activities are in alignment with the [Strategic Framework for EIT Community Global Outreach](#)

[Activities](#) and are expected to contribute to achieving EIT objectives. There are also activities that deliver targeted programmes in areas where the EIT does not have any hubs, such as Africa and Asia.

## INNOVATION IN ACTION

### **EIT Health: Driving innovations in the fight against chronic conditions**

In the battle against chronic and multi-morbid conditions, EIT Health helps navigate the complex landscape of healthcare innovation. Over the years, EIT Health has remained committed to combating chronic ailments, prioritising impactful interventions that resonate within the European healthcare market and strongly align with Horizon Europe's Pillar 3 and Cancer Mission. EIT Health ensures its interventions target areas of maximal potential, notably focusing on chronic diseases where innovation is most urgently needed. Project leaders underscore the impact of EIT Health's support, which fills critical gaps in the healthcare market often overlooked by traditional investors.

From projects in diabetes management to breakthroughs in cancer diagnostics, EIT Health's targeted interventions create transformative change, strengthening the impact of individual endeavours to shape the broader landscape of healthcare innovation.

EU added value amplifies EIT Health's impact, fostering collaboration and synergy across disparate realms of the healthcare sector. By forging robust partnerships and facilitating cross-disciplinary exchanges, EIT Health unlocks untapped potential and boosts innovation.



# KEY FEATURES OF THE EIT INNOVATION MODEL

## LONG-TERM IMPACT STRATEGY

Partners in an EIT KIC design a realistic, specific, measurable, achievable and time-dependent strategy to address the concrete challenges posed in their thematic field. The strategy is accompanied by specific, relevant and measurable strategic objectives. This strategy must be aligned with the EIT's strategic objectives, cover at least 7 years and be based on the overriding principle of knowledge triangle integration, impact and excellence. It allows partners to commit for a long period of time and ensures that a KIC can focus on short, medium and long-term objectives, while remaining agile enough to adapt to emerging needs.

The EIT Impact Framework serves the following critical functions:

- **Impact-led planning:** KICs define in their strategic agendas the societal and economic impacts they aim to create, underpinned by key performance indicators (KPIs) and respective sources of verification (as defined in the Impact Framework). Milestones based on the KPIs and included in the EIT Impact Framework are established during key phases of the agendas to ensure that progress against KIC strategic goals is clearly measured and, when needed, corrective measures are considered.
- **Performance monitoring:** Data is collected, analysed and monitored at each level in the impact pathway to assess and demonstrate the contribution of the EIT Community's intervention to systemic changes through output data, short and medium-term results and impact data. This data is used to assess whether EIT, KIC or individual activity

performance is on track or if changes/interventions in the activity plan are needed to ensure the envisaged systemic impact is achieved at a later stage.

- **Reviews and evaluations:** Data collected against impact indicators is the basis for evaluations and impact assessments. In addition, the Impact Framework ensures the linkage between impact created at the mature phase of the KICs and their activities and interventions in earlier stages. The output and result data that has already been collated provide supporting evidence for the impact achieved by earlier activities.
- **Result-based investment:** The KPIs relating to results, an integral part of the Impact Framework, inform the EIT Governing Board's decisions on future KIC financing allocations. This ensures alignment of the funding mechanism with achieved results and KICs' progress towards the long-term strategic targets (impact indicators). Please see the chart "Core KPIs - Funding allocations" on page 21.

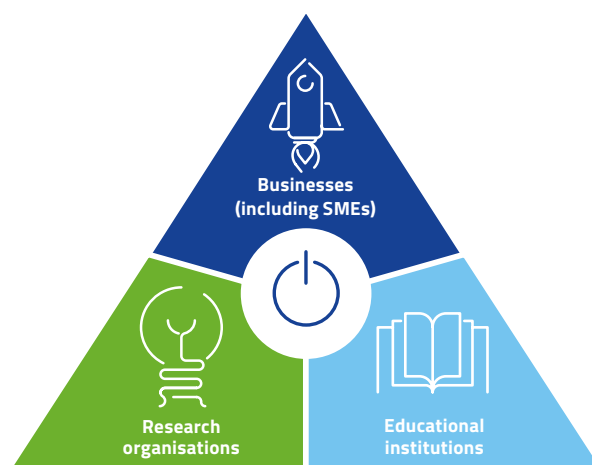
## KNOWLEDGE TRIANGLE INTEGRATION

As part of its mandate, the EIT has pioneered the integration of the 'knowledge triangle' (business, higher education and research) and has gradually established itself as a unique instrument addressing societal challenges. This focus on societal challenges through the integration of the knowledge triangle is a distinctive feature of the EIT model compared with other innovation instruments.

Knowledge triangle integration happens when entrepreneurial, innovation and education processes and activities are interlinked and integrated. Through this coordinated process, the EIT Community inspires, facilitates and empowers innovators with diverse skills and competences to creatively:

- equip students and lifelong learners with the skills to become entrepreneurs;
- deliver new products, services and business models;
- 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 to embed this within the KIC's operations and activities. They must produce a clear set of goals and objectives, along with pathways to achieve them. Partners need to be fully committed and willing to adjust their own operations to better integrate with the other sides of the knowledge triangle.



## INNOVATION IN ACTION

### HiQ-CARB

Developed by Arkema (business), Orion Engineered Carbons (business), Aalto University (education) and Fraunhofer-Gesellschaft (research), HiQ-CARB produces sustainable and resource efficient nanomaterials for high-performance batteries. The nanomaterials consist of low carbon footprint ultrapure acetylene black and biobased ultrathin carbon nanotubes. Through this innovation, users can experience faster-charging electric vehicles, mobile phones with extended battery lifespans and an overall increase in the safety and longevity of battery-powered devices. EIT RawMaterials has provided the HiQ-CARB team with a comprehensive network, communications channels and financial support, all of which served to build and improve the companies' products, network and standing.

## SUSTAINABLE BUSINESS MODEL FOR FINANCIAL SUSTAINABILITY STRATEGY

Achieving financial sustainability is a unique feature of the EIT innovation model that is a results-oriented innovation instrument. In this context, the EIT's KICs must develop and implement revenue-creating strategies to maintain their innovation partnership and their activities beyond the period of EIT funding. Each KIC must aim to become financially sustainable within a period of 7 to 15 years after its designation.

From the start, each KIC is expected to have a strong business logic and mindset to transform knowledge and other resources into revenues. [Financial sustainability](#) means that once the 7 to 15-year period of EIT support is up, EIT funding is replaced by other private and public sources, particularly via revenue streams like return on investments, revenue sharing, licensing, equity stakes in start-ups, commercialising education programmes, selling services and consulting. Therefore, an EIT KIC must decide what its unique selling proposition will be, which financial assets it can create, what value it can add to the industry sector and what business opportunities could make an impact on the societal challenge and facilitate financial sustainability in the medium term.

A market analysis is essential, including how and when to achieve a competitive position in the European and global marketplaces and how to use successful innovation to create revenues. It must also include how to raise capital and

attract financing and co-funding into its activities from its partners. As a KIC develops, its financial needs increase – with consequences on how the KIC can attract complementary funding for its operations. Therefore, partners' commitments are crucial, including financial support from the beginning.

The EIT financial contribution is allocated so that it supports the KICs' long-term strategy while rewarding each KIC for its excellence, impact ambition and implementation in the mid-term. As set out in the EIT regulation, the EIT contribution to the KICs shall gradually decrease over time in compliance with the funding rates defined in the EIT SIA 2021–2027, as shown in the table below.

EIT KICs and their partner organisations may apply for EU financial contributions, specifically through its programmes and funds. Such contributions shall not cover any activity already funded under another EU programme. Contributions to KIC financing from partner organisations should be determined in accordance with the funding rates defined above and reflect the KIC's strategy for financial sustainability.

To achieve financial sustainability, EIT KICs must consider the following sources of revenue for the KIC legal entity (KIC LE) and its Co-Location Centres (CLCs):

- contributions from partner organisations, which will form a substantial source of funding;
- voluntary contributions from Member States, associated countries or third countries, or public authorities within them;

	Start-up	Ramp-up	Maturity	Exit from the EIT grant
Years	1–4 (*)	5–7	8–11	12–15
EIT funding rate	Up to 100 %	Up to 80 %	Up to 70 %	50 % at year 12, decreasing by 10 percentage points per annum

(\*) Year 1 is for the start-up grant.

- contributions from international bodies or institutions;
  - revenue generated by a KIC's own assets, activities and royalties from intellectual property (IP) rights;
  - capital endowments;
  - bequests, donations and contributions from individuals, institutions, foundations or any other bodies established under national law;
  - the financial contribution from the EIT;
  - financial instruments, including those funded from the general EU budget.
- become independent of the EIT grant. Each KIC must develop and implement revenue-creating strategies based on various pathways:
- maintaining their innovation ecosystem activities beyond the programmed end of the EIT grant;
  - mobilising the industry, finance and service sectors;
  - mobilising public and private funds, along with partners;
  - diversifying their revenue sources;
  - managing their finances with efficiency and rigour.

In sum, the principles of KIC financial sustainability highlight a KIC's obligation to progressively

## INNOVATION IN ACTION – A PATH TO FINANCIAL SUSTAINABILITY FOR THE EIT'S FIRST THREE KICS – 2010-2024

### EIT InnoEnergy

EIT InnoEnergy provides tailor-made support to start-ups to accelerate sustainable energy innovation and to boost and de-risk business cases and decrease the time to market. EIT InnoEnergy supported 500+ sustainable energy innovations and invested in 200+ companies (three of which are unicorns). In 2023, the KIC successfully completed a private placement round, realising over EUR 140 million of equity. Investors in this round were new strategic players (Société Générale, Santander CIB, PULSE – CMA CGM Energy Fund, Renault Group, Stena Recycling and NIIT) and existing shareholders of the KIC (Siemens Financial Services, Schneider Electric, Capgemini, Volkswagen Group, ING, Koolen Industries, GROUPE IDEC and Engie). This was followed by a follow-up round in the summer of 2024 with new investors joining.

### EIT Climate-KIC

With over 300 partners, EIT Climate-KIC has become a key public-private partnership focused on climate innovation. It has helped build over 2 300 start-ups, which generated €1.1 billion of investment, created 15,000 full-time jobs and powered 790 new products. EIT Climate-KIC has been instrumental in supporting the mission on 'Climate-neutral and smart cities'. It is also part of the missions on 'Adaptation to climate change' and 'Soil health and food'. EU funding represents just a share of the KIC's alternative funding sources: as of mid-August 2023, nearly half of 30 non-EIT projects that were in delivery were funded from national and regional sources (e.g. the Government of Slovenia, Irish Aid or the Government of Cantabria) and private sources (e.g. FedEx and the Google.org Foundation).

### EIT Digital

EIT Digital is a provider of world-class technical education whose programmes are building a significant EU talent pool while realising returns that have generated significant revenue. EIT Digital has upskilled hundreds of thousands of people through its education portfolio, helped create 275 start-ups and supported the scale-up of over 720 ventures who have gone on to raise €660 million in external investment. It has also supported activities of 20 centaurs (companies surpassing \$100 million in annual recurring revenue) and taken equity in 200+ start-ups. This success has attracted the interest of other sponsors, including the European Investment Fund (EIF) financing of a deferred tuition payment plan for the EIT Digital Master School intake from 2023. At the same time, EIT Digital's Education Foundation nurtures European talent, funding student scholarships and endowments, together with reserves drawn from the KIC's accumulated capital.

### CORE KPIS – FUNDING ALLOCATIONS

- Number of **innovations** introduced on the market during the project duration or within 3 years after completion with a sales revenue of at least **10 000 EUR documented**
- Number of **start-ups** established in year N as a result / based on the output(s) of the project/s, or start-ups created for the purpose of an innovation project to organise and support the development of an asset, (not later than three years after the completion of project) having **financial transactions of at least 10 000 EUR** for services/products sold to customers
- **Start-ups created by students** enrolled and graduates from EIT-labelled programmes
- **Investment attracted** by KIC-supported startups and scale-ups
- **Graduates** from EIT-labelled programmes
- Total **non-EIT financing** generated by the KIC Legal Entity
- Percentage of less represented **gender** in top governance and management positions combined

# WHAT MAKES A SUCCESSFUL EIT KNOWLEDGE & INNOVATION COMMUNITY?

## FEATURES OF A SUCCESSFUL EIT KIC

### A diverse, open and dynamic partnership

At the application stage, a prospective EIT KIC would typically consist of 50 partner organisations in its consortium (note that the final number will be confirmed in the official Call for Proposals). Following the designation of the KIC and its start-up year, the number of partner organisations grows as the KIC launches open calls for innovation project proposals and other activity areas. A continuously growing and enriching partnership is an essential feature of a KIC. It empowers players from across the knowledge triangle to come together and create unique products, services and programmes that integrate elements of education, training, business creation and innovation. The combined strength and complementarity of the partners produce the creative sparks that ignite innovation. A high degree of geographical and competence diversity and openness allows for the best ideas to flourish, get quickly validated and launched on the market for the benefit of citizens. To date, the EIT's nine KICs bring together more than 2 400 unique partner organisations.

### An impactful 7-year strategic agenda

Each KIC is guided by its Strategic Agenda (SA), typically covering a period of 7 years. The SA is a strategic and public document developed by the KIC in cooperation with its partners and in consultation with a wider group of stakeholders. It serves as the basis and a yardstick for KICs activities set out in its business plans and

presents the KIC's vision, mission and strategic objectives, along with the KIC's governance and operation model and expected results and impact. It includes its strategy and targets for achieving its set KPIs and financial revenues. The agenda covers all the activities included in the KIC portfolio and is coordinated by the KIC legal entity (KIC LE) and CLCs regardless of EIT funding.

### A legal entity suited to the EIT innovation model

The KIC governance model and the KIC LE are key elements that differentiate EIT KICs from other European partnerships. In its start-up year, the newly designated consortium for a new KIC sets up the legal structure, the legal entity, its headquarters and CLCs across Europe that function similarly to regional branches with an independent management team and supervisory board. The KIC must comply with the good governance, openness and transparency principles laid down in Articles 6.1 and 7.2 of the PA while it is designing its legal and operational framework.

The choice of an appropriate legal entity for a KIC is crucial. It integrates the partners and is the focal point for any interaction between the EIT and the KIC partnership. It is the **KIC LE** that, with a mandate from the KIC partnership, signs the [partnership agreement \(PA\)](#) and the annual or multiannual [grant agreements \(GAs\)](#) with the EIT. The Chief Executive Officer (CEO) is the legal representative of the legal entity.

The legal entity must act in the best interest of the KIC. It safeguards its goals, mission and

identity independently from the interests of individual partners. The choice of legal entity determines the governance structures of the KIC, though all must respect the leading principles of business-like logic and flexibility to make quick decisions and deliver on financial sustainability objectives. Some KICs have decided to follow a membership fee model from the beginning to secure other sources of funding. This gives them room for operational flexibility and mitigates cash liquidity risks.

KICs have chosen different legal forms for their legal entity, however business enabling governance has proved to be most effective in allowing KICs to be impact investors in companies. For example, EIT InnoEnergy is registered as a European limited liability company (SE) and has opted for a shareholder structure, while EIT RawMaterials KIC Legal Entity is established as a company with limited liability (GmbH under German law). EIT Manufacturing, in turn, has been registered as a not-for-profit association under French law (ASBL) and has set up a simplified joint stock company (SASU) as its commercial arm.

The KIC LE represents and manages the KIC. It ensures that the KIC delivers and respects the objectives set out in the KIC strategic agenda. The KIC LE must also ensure that the KIC partners endorse and implement the PA, cooperate smoothly and work together towards reaching the objectives set out in the KIC strategic agenda. The KIC LE is especially responsible for:

- the preparatory and conceptual work of the KIC (such as strategy, business plan, financial sustainability, cooperation and coordination);
- monitoring of the partnership and all participants in the grant agreements (GA);
- day-to-day coordination and management;
- grant management coordination;
- all communications with the EIT.

## Good governance and management

Bringing together many different partners requires strong and effective governance. The governance and organisation of a KIC should therefore be well thought out, placing the objectives and targets of the KIC Strategic Agenda as an underpinning rationale. Governance and management affect how the KIC works centrally, how activities in the field of education, innovation and entrepreneurship are shaped by knowledge triangle partners, how financial sustainability of the KIC is achieved and how the innovation hubs are integrated into the wider KIC network.

EIT KIC partners are typically represented in assemblies to strategically steer the partnership. The members of the governance structure must act in the best interest of the KIC, safeguarding its goals, mission and identity, in an independent way. Each KIC and its partners must have a code of good conduct including a policy on conflicts of interest.

To emphasise good practices and ensure compliance with fundamental principles applicable to public funds, the EIT has set out good governance principles in the partnership agreement (PA). In particular, the KIC governance and management structure must:

- ensure compliance with the HE rules for partnerships, in particular regarding the criteria for the selection, implementation, monitoring, evaluation and phasing out of the partnership;
- reflect diversity, in particular regarding gender, geographical and professional background;
- reflect the diversity in the composition of the KIC, in particular the balance within the knowledge triangle;
- separate ownership and membership from operational management;

- separate the supervisory functions from the operations;
- have a size which allows the KIC to function in an effective and efficient way;
- separate the decisions on activities, KIC funding schemes and distribution of funding from their implementation;
- ensure that at least half of the members – including the chairperson – of the body with supervisory functions are independent from the KIC partners;
- be composed of high-quality members who are selected in a transparent and competitive procedure;
- have effective supervision or ownership over the entities with a CLC role.

Within the EIT principles of good governance, each KIC should define its own internal organisation and management structure, but experience shows that a strong, lean and flexible management approach is needed to implement the KIC's ambitious strategy.

The EIT's KICs have **effective 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 a strong business mindset, responsibility for the administrative operational capacity and executive power over the management and finances of the KIC. Experience shows that independence, a clear mandate and empowerment from partners are crucial to give the CEO and the executive team enough room to manoeuvre and deliver.

Particular attention should be paid to talent management and finding the right people for the diverse profiles required to deliver on the KIC's strategy. KICs hire professionals with key skills, including sector knowledge, a business mindset

and experience in impact investment and asset management. The KIC also builds a strong project management office composed of professionals in EU and Horizon Europe funding, project management and reporting.

## An integrated network

An EIT KIC brings together organisations of different sectors, countries and disciplines. How is this done? Co-location Centres (CLCs) and EIT RIS Hubs are the main instrument for managing activities and knowledge flow.

A **CLC** is a physical hub (established in an open and transparent manner) that promotes links and active collaboration among knowledge triangle organisations. Each KIC usually has around 5 to 10 CLCs with partners in close proximity. This is essential to facilitate interaction among members of the regional community. CLCs act as a focal point for knowledge exchange where EIT KIC partners can access local facilities and the expertise needed to pursue their common objectives within the given geographical area. They build on existing labs, offices or campuses of some of the KIC's core partners and 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.

An **EIT RIS Hub** is a physical hub established by an EIT KIC in a Member State or in an associated country targeted by the EIT Regional Innovation Scheme. It serves as focal point for the KIC's activities and for the mobilisation and involvement of local knowledge triangle stakeholders in the KIC activities. These hubs are a central element of the EIT RIS 'place-based' innovation approach and a crucial tool in supporting the objective of attracting and facilitating the integration of potential new partners in the EIT Community. They address the local ecosystem's needs and bridge the innovation gaps within Europe. These hubs can have a single-country, regional or multi-country



focus. EIT RIS Hubs could also pave the way to the establishment of a CLC in the targeted region.

As part of the KIC'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 KIC 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 KICs has chosen a hub model best suited to its strategy. However, the management structure of a hub should also conform to principles of good governance reflecting the diversity in the composition of its partners (ensuring a proper balance within the knowledge triangle). It ensures an open and high-quality decision-making process while separating the supervisory function from operations.

### A policy for intellectual property

An EIT KIC will create valuable new ideas for patents, copyrights or trademarks. The KIC's IP policy defines who owns the results of innovation activities and how they are protected. It will clarify

how successful innovations will also contribute to sustaining the KIC. The KICs shall follow the IP rules laid down in the [Horizon Europe Regulation](#) and the relevant provisions included in the partnership agreement. This provides a flexible approach to the development of detailed rules for IP rights within each KIC.

KICs should set their own IP policy for management and exploitation in a way that matches their specific business model, thematic area and the unique nature of their collaboration. They should also establish their Intellectual Property Board to manage knowledge transfers and IP-related issues. Trusted and easy-to-implement procedures compliant with the legal framework are essential.

### Adoption of the EIT Community brand

The EIT Community brand unites all who innovate within the EIT Community. The brand expresses the vision, mission and values. As the EIT Community brings members together, it should be consistent in its approach to branding and communications.

## COMMUNICATION: PROMOTE YOUR ACTION AND RESULTS

**Inform, promote and communicate your activities and actions**



#### Reaching multiple audiences

Citizens, the media, stakeholders



#### How?

Publishing your results on:

- Having a well-designed strategy
- Conveying clear messages
- Using the right media channels



#### When?

From the start of the action until the end



#### Why?

- Engage with stakeholders
- Attract the best experts to your team
- Generate market demand
- Raise awareness of how public money is spent
- Show the success of European collaboration
- Legal obligation under the Grant Agreement

## DISSEMINATION: MAKE YOUR RESULTS PUBLIC

Open Science: knowledge and results (free of charge) for others to use



### Only to scientists?

Not only but also to others that can learn from the results: authorities, industry, policymakers, sectors of interest, civil society



### When?

At any time, and as soon as the action has results



### How?

Publishing your results on:

- Scientific magazines
- Scientific and/or targeted conferences
- Databases



### Why?

- Maximise results' impact
- Allow other researchers to go a step forward
- Contribute to the advancement of the state of the art
- Make scientific results a common good
- Legal obligation under the Grant Agreement

## EXPLOITATION: MAKE CONCRETE USE OF RESULTS

Commercial, societal, political purposes



### Only by researchers?

Not only but also:

- Industry including SMEs
- Those that can make good use of them: authorities, industrial authorities, policymakers, sectors of interest, civil society



### When?

Towards the end and beyond, as soon as the action has exploitable results



### How?

- Creating roadmaps, prototypes, software
- Sharing knowledge, skills, data



### Why?

- Lead to new legislation or recommendations
- For the benefit of innovation, the economy and the society
- Help to tackle a problem and respond to an existing demand
- Legal obligation under the Grant Agreement

Building the 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, can be viewed [here](#).

## **A plan for communications and stakeholder engagement**

If you are innovating with the EIT Community, you are declaring that you want to achieve great things. All great things must be shared! Since EIT grants are financed through public funding, all EIT Community beneficiaries are expected to actively engage in communication activities and publicly acknowledge the EU's support in line with the Partnership and Grant Agreements.

Each EIT KIC has a communications strategy in place and an annual communications plan focused on their unique way of approaching innovation and entrepreneurship. Communications should focus on what is being accomplished while emphasising the benefits that the EIT Community brings to its partners, collaborators and citizens. The communications activities should strongly contribute to the development of the EIT Community brand and the EIT works closely with all KICs to coordinate communications activities.

Communication and stakeholder engagement activities go hand in hand. The EIT model calls for multi-stakeholder collaboration across different sectors. KICs develop stakeholder engagement strategies and annual stakeholder engagement plans that ensure timely and targeted information provision towards all relevant stakeholders through events, meetings and special configurations, among other methods. They ensure stakeholder buy-in where appropriate. The EIT and its KICs also ensure regular information provision and efficient collaboration with several groups of stakeholders, such as the EU

institutions, national authorities and EIT National Contact Points.

## **A plan for dissemination and exploitation of results**

To succeed, EIT KICs must actively share achievements, results, products and companies to the market and society at large. Dissemination, knowledge valorisation and results exploitation aim to maximise the impact of activities.

The objective of dissemination is to make the results available by transferring knowledge and results. This will enable others to use and take up these results. Improving the valorisation of research results is key to reduce the innovation gap, and respond to the real needs of society while stimulating the EU's industrial revitalisation and informing policymaking. The objective of exploitation is to effectively use results through scientific, economic, political or societal exploitation routes to turn R&I activities into concrete value and impact. Each KIC should define a dissemination strategy (in line with its IP policy) and annual plans in a way that is integrated with its communications efforts.

Moreover, by identifying, analysing and sharing good and novel innovation practices, the EIT Community ensures that knowledge generated within EIT Community activities is disseminated, valorised and capitalised on for the benefit of all.

## **A spirit of collaboration, including through joint EIT Community actions and initiatives**

Seeking collaboration at the local, regional and national levels is an important element of a KIC's synergies portfolio. It brings more stakeholders into the knowledge economy and gives a greater push to open innovation in the EU. A KIC, 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 KIC has a **strategy for synergies** and a roadmap to achieve its objectives by identifying the following items.

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

In this way, a KIC gradually develops an extensive network of organisations at different dimensions and levels, thematic and horizontal, strategic and operational. It works closely with the EIT, which fosters synergies and interaction between KICs and with other institutional stakeholders. A KIC maintains a structured dialogue with European Commission services to provide input and feedback to policymakers. And it continuously seeks consistency with and contributes to EU priorities. Cooperation with the European Innovation Council (EIC) is encouraged under Horizon Europe's Pillar III. EIT and EIC cooperation is especially valued when it comes to supporting and accelerating innovative start-ups and scale-ups.

The EIT and the EIC are complementary EU funding programmes and have concluded a [Memorandum of Understanding](#) (MoU) to give young businesses access to both EIC and EIT services. That includes access to finance opportunities with KIC investors and the EIC blended financing programme with the European Investment Bank (EIB). Furthermore, the EIT and the EIC cooperate to help research results become innovation opportunities. They facilitate market access to start-ups and SMEs, support women innovators to close the gender gap and give special attention to start-ups and SMEs from

regions and countries classified as emerging or moderate innovation ecosystems.

**EIT Community initiatives** enhance cooperation and synergies between KICs. They foster more inter-disciplinary approaches and tackle topics of common interest. The EIT Regulation states that they can be up to 100 % funded by the EIT. It also recognises the high potential of EIT Community activities where several KICs already address common EU policy priorities and where no dedicated EIT KIC exists. Currently, these activities are clustered into two groups:

### EIT Strategic Activities

These aim to deliver more impact in key priority areas and enhance the strength and visibility of the EIT KIC innovation ecosystem and position among key stakeholders. These activities coordinate and/or drive joint thematic agendas. The strategic priority activities are based on the EIT SIA 2021–2027 and EU policy priorities, set by the EIT Governing Board after consultation with the European Commission. Access to finance (a collaboration with international financial institutions), Strategic Education (joint education initiatives such as the Higher Education Initiative or Girls Go Circular), Strategic Synergies (New European Bauhaus, Artificial Intelligence joint activities, or Women's Entrepreneurship) or EIT RIS Community Hubs are examples of [strategic EIT Community initiatives](#).

### EIT Shared Services Cross-KIC activities

These require the participation of all KICs. The actions are aimed at the development of joint operational activities and consolidation of KIC operational processes. They reduce administrative costs and overhead by pooling resources. Joint CLC locations, the EIT House in Brussels or development of joint IT systems are examples of the EIT shared services activities.

# CONTRACTUAL RELATIONS BETWEEN THE EIT AND A KIC

## INSTITUTIONALISED EUROPEAN PARTNERSHIPS

Partnership is an essential feature of a KIC and a requirement of the EIT's aim to bring together players from across the knowledge triangle in a balanced and collaborative manner. EIT KICs are Institutionalised European Partnerships under Horizon Europe. Institutionalised European Partnerships are partnerships in the field of research and innovation between the EU, EU Member States and/or industry. They are only implemented when other parts of the Horizon Europe programme, including other types of partnerships, would not achieve the desired objectives or expected impacts. KICs bring together a diversity of partners, ranging from start-up companies and SMEs to leading universities, research centres and other stakeholders.

[Institutionalised European Partnerships](#) are a key Horizon Europe implementation tool and contribute significantly to achieving the EU's political priorities. By bringing private and public partners together, they help to avoid investment duplication and contribute to reducing the fragmentation of the EU's R&I landscape.

## AGREEMENTS BETWEEN THE EIT AND KICS

The EIT and its KICs (the beneficiaries of the EIT grant) structure their relationship through legal agreements. These agreements 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 different agreements are signed during specific moments of the EIT KIC lifecycle.

- Once designated as a KIC by the EIT Governing Board, the new KIC receives a start-up grant to set itself up as an organisation and get up to speed for its first full operational year. At this stage, the consortium has a crucial role in drafting the 7-year KIC strategic agenda, setting up legal and operational readiness, developing the KIC identity and starting to implement initial activities. To define this role together with the initial partners, each new KIC receives EIT support during the first year through a **start-up grant agreement (SUGA)**. As the volume and scope of activities grow in the following years, a KIC is expected to deliver on its strategy by expanding, strengthening and diversifying the partnership, using excellence and innovation potential as its basis.
- Upon successful completion of the start-up phase, the EIT Governing Board reviews and endorses the start-up phase, enabling the EIT Director to sign a 7-year **Partnership Agreement (PA)** with the KIC. The agreement is subject to performance and positive outcomes of the interim review and comprehensive assessment of the KIC, and it may be extended for another period of up to 7 years. EIT funding to a KIC over this maximum 15-year period of EIT support follows a pattern: start-up, ramp-up, maturity and exit.
- The **Grant Agreement (GA)** is the contractual instrument laying down the provisions concerning the implementation of the KIC's business plan, joint EIT Community activities and higher education activities through

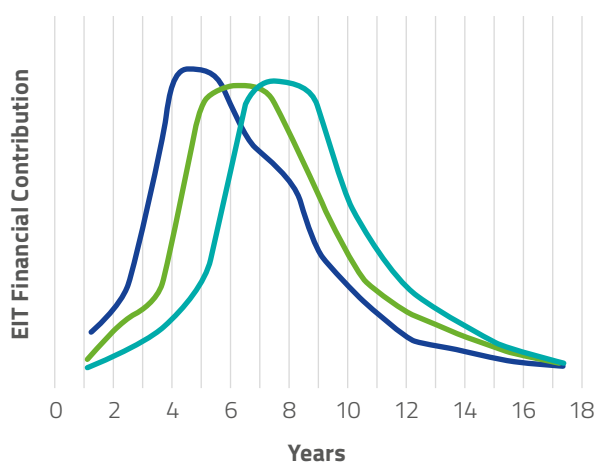
grants on an annual or multiannual basis. The agreements are signed by the EIT Director (as the EIT's legal representative) and the EIT KIC's CEO (as the KIC's legal representative).

The KIC legal entity and each KIC partner govern their relationship through internal agreements signed between the parties. KIC internal arrangements should comply with the principles of good governance. By signing these agreements, a KIC partner shall agree to the rights and obligations stipulated in the Partnership Agreement and the Grant Agreement, which is a condition for benefiting from EIT grants channelled through the KIC legal entity.

All KICs must apply sound financial management: principles of economy, efficiency and effectiveness, including a lean and cost-efficient structure that keeps administrative and management costs to a minimum.

After 15 years, following an assessment by the EIT, a 'Memorandum of Cooperation' may be signed between the EIT and a KIC to maintain active cooperation. This new agreement sets out the rights and obligations linked to the continuation of and access to knowledge triangle activities, along with maintenance of the ecosystem and network.

## EIT investment in Innovation Communities Financial Sustainability



## EIT FUNDING MODEL

The EIT follows a lean and simplified funding model to:

- enhance the impact and contribution of EIT KICs towards reaching the EIT and the Horizon Europe objectives; and to,
- incentivise commitment from KIC partners.

As an integral part of Horizon Europe, the EIT and KIC's funding implementation mechanisms, payment modalities and control strategy are aligned with those of Horizon Europe. This ensures that EIT KIC beneficiaries and stakeholders experience a consistent approach to eligibility rules and sound financial management.

In line with the principle of financial sustainability, EIT KICs are expected to gradually reduce their EIT funding rate and to increase the levels of private and public investments other than revenues from their partners. The model facilitates KICs in their gradual transition towards financial sustainability within the duration of the Partnership Agreements.

The EIT SIA 2021–2027 lays down the applicable decreasing EIT funding rates for the KICs' added value activities across phases of the entire KIC lifecycle (start-up, ramp-up, maturity, exit from the EIT grant). These funding rates must be achieved for the entire business plan, not for each activity or work package. This leads to the introduction of KIC portfolio activities that are not funded under the grant (non-EIT funded activities or 'NEFAs') but are similar in nature compared to EIT-funded activities in that they contribute to the KIC's knowledge triangle integration and key performance indicators (KPIs), in line with the EIT Impact Framework.

By integrating the existing excellence and investment in higher education and research and innovation, the EIT funding model supports its KICs in the commercialisation of innovation results and the development of innovative educational courses that emphasise entrepreneurship and the creation of new start-ups.

Furthermore, the [EIT financing principles](#) and procedures reflect the multi-annual nature of KIC activities.

The criteria for the funding allocation follow a performance-based funding model. The EIT funding is directly tied to progress made in the areas defined in the EIT Regulation, including progress towards financial sustainability, cost efficiency and openness to new members. The EIT takes corrective measures based on KICs' individual performances to ensure the highest level of impact. To this end, the EIT funding could be reduced, modified or discontinued in case of underperformance. This performance-based allocation mechanism includes assessing the KIC business plans and performance as measured by continuous monitoring. The level of the EIT financial contribution to each KIC is thus decided by the EIT on a multiannual basis. Performance-based funding allocation accounts for progress made in the following areas.

- Implementation of the multiannual strategy, in particular:
  - progress in addressing the KIC's key strategic challenges and effectiveness in integrating the knowledge triangle;
  - progress towards the objectives and targets indicated in the multiannual strategies, such as impact, results and openness, including the number of partners, the establishment of new co-location centres (CLCs) and the coordination and management of the KIC's ecosystem;
  - consistency with the strategic objectives of the EU, in particular those of Horizon Europe, and KIC's contribution to achieving these goals;
  - alignment with good governance principles set by the EIT;
- EIT Community collaboration under joint EIT Community projects and synergies with other programmes;
- results of the EIT Regional Innovation Scheme (EIT RIS).
- Progress towards financial sustainability, including the portfolio of financial assets developed by each KIC to reach financial sustainability, diversification of revenues/ funding sources and quantitative metrics such as the financial sustainability coefficient defined in the principles of KICs' financial sustainability.
- Effectiveness of operations and impact achieved under the EIT Impact Framework (as measured by core EIT KPIs in the areas of education, innovation, business creation and EIT RIS).
- Financial performance measured by KPIs defined as part of the EIT Impact Framework (e.g. EIT grant absorption and error rate in costs reported).
- Non-financial performance measured inter alia through diversity and alignment with the EIT/ EU co-branding provisions.
- Clarity and pertinence of future ambitions in line with the EIT Strategic Innovation Agenda and KIC strategic agenda and their reflection in the KIC business plan.

To ensure both comparability between KICs and their flexibility and adaptability, the specific assessment criteria for performance-based funding, the weightings and other precise modalities will be further specified by the EIT as part of future calls for grants. Since each KIC has multiannual grant agreements with the EIT, the two main characteristics of the implementation mechanisms are the portfolio approach and the cascading model.



## Portfolio approach

The business plans are designed at the portfolio level and provide an overview of all activities to be implemented. That includes budgets and impact targets measured through key performance indicators. Specific details about each project are collected regularly during implementation in line with a pre-defined dataset.

The portfolio description also indicates how the KIC will respect the principles that need to be complied with when selecting projects and recipients for EIT funding (e.g. principles of sound financial management, financial sustainability, good governance, openness and transparency and avoidance of conflict of interests, among others). An essential component of this approach is reinforced monitoring, relying on the data delivered by all the KICs to ensure that the necessary information is collected for business intelligence and assurance purposes.

## Cascade funding model

The cascade funding model, known as 'Financial Support to Third Parties (FSTP)' under the [EU Financial Regulation](#) or 'sub-granting', is a commonly used mechanism to implement activities under EU funding. It means that the implementation of a portfolio of activities is cascaded by the beneficiary to further recipients of the EU grant through calls. In the case of the fully cascaded model, FSTP is applied to a larger extent, meaning that a larger proportion of the grant is spent by sub-grantees.

In the EIT context, the only beneficiaries of the grant agreements are the KIC legal entity (acting as a 'consortium leader' in other programmes) and/or the EIT Co-Location Centres (CLCs) (acceding to the grant agreement as beneficiaries or affiliated entities).

KIC partners can be recipients of FSTP but do not accede directly to the grant agreement. However, KIC partners do, however, participate

in the implementation of the KIC business plan and contribute to the delivery of the KIC's impact and financial sustainability. Sub-grants must be awarded based on clear and transparent criteria that are spelled out in the KIC business plan.

## ACCOUNTABILITY

Each KIC assumes responsibility for all decisions taken and activities implemented within the scope of the agreements signed between the EIT and the KIC, in line with the rights and obligations stipulated within them.

In line with the EIT Regulation, the EIT organises continuous monitoring and periodic external evaluations of the output, results and impact of each KIC. That includes their progress towards financial sustainability, cost efficiency and openness to new members. Those evaluations should include interim reviews covering the first 3 years of the Partnership Agreement (PA) and the 3 years following any extension, comprehensive assessments conducted before the end of the seventh year of the Partnership Agreement (PA) and final reviews conducted before the end of the PA. The Governing Board will take corrective measures when appropriate, considering the outcomes of these reviews and assessments. The results of those interim reviews and evaluations are made publicly available, communicated to the European Parliament and to the Council of the European Union and reported to the strategic coordinating process for European Partnerships.

The KIC is expected to set up a management and control system that functions in an efficient manner, ensuring compliance with the principles of sound financial management and providing a reasonable level of assurance that the KIC complies with all contractual obligations. An integral element is that costs of KIC activities must be determined and reported in accordance with the applicable provisions stipulated in the legal framework. The PA, which establishes general terms and conditions under which a KIC operates, and the Grant Agreement (GA),



which covers funding rules and other conditions relevant for the implementation of the grant, constitute the framework for grant assurance of the EIT. KICs are liable and bound by the rules and regulations defined within them.

All KIC activities must be implemented in compliance with the provisions of the PA and the GA (with all the obligations and terms and conditions it sets out), the call conditions and all legal obligations under applicable EU and national law. The main contractual obligations relate to

proper implementation (including reporting costs incurred in line with applicable cost eligibility criteria and other reporting requirements), conflicts of interest, confidentiality and security, ethics, visibility, information and record-keeping, along with any specific rules for carrying out the action. The European Commission, the European Court of Auditors, the European Public Prosecutor's Office, the European Anti-Fraud Office and EIT may carry out checks, reviews and audits on the implementation of the action and compliance with the obligations under the GA.

# JOINING THE EIT COMMUNITY

## BENEFITING FROM EIT COMMUNITY ACTIVITIES

There are many opportunities to join the [EIT Community](#) and its wide range of innovation support activities across Europe, including training and skills development programmes, innovation-driven research projects and business incubators. As part of the EIT Community, you can access new partners, facilities, disciplines, industries and cultures.

The EIT Community can support and innovates with:

### Students and learners

Students and learners 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 and learners can meet professionals from companies big and small, increasing the chances of landing a job or creating a company. EIT Community learning and skills development reflect the multifaceted reality of innovation and learning by doing. In addition, students and learners have the opportunity to meet and be inspired by entrepreneurs, innovators and change agents.

### Entrepreneurs

The EIT Community attracts start-ups in different stages of maturity, from the early stages to the seed funding and scale-up stage. They will be able to identify and connect with new business partners, investors and clients to turn ideas into sustainable and scalable start-ups. The KICs also offer direct access to the wider European marketplace and customers to grow businesses internationally. Entrepreneurs will have access to KIC services like mentoring schemes, enhanced

access to finance and new markets and, most of all, access to the know-how of EIT Community partners and pan-European networks, accelerating the progress and scaling of their ideas on the market.

### Higher education institutions

The EIT Community provides educators with the opportunity to learn how to teach differently by using new technologies, new skills, 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 and tech courses, the EIT Community helps educators trigger the creativity of students. Educators can share experience within the EIT Community to improve curricula, create new learning formulas and capitalise on the opportunities offered by innovation. This equips students and learners with skills and capabilities that address societal challenges through innovation. Higher education institutions become more entrepreneurial and innovation-oriented and more integrated into international networks and cooperation schemes.

### Professionals in business, research and other organisations

The EIT Community can help professionals advance their careers. A KIC partnership lets them develop creativity, broaden skills, stay up to date with the latest technologies and network with other professionals from world-class organisations. A KIC 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.

Working with a KIC and its expert network can offer a creative blast – new ideas, new partners, new facilities, new disciplines and new cultures. For university researchers, the KIC can grant access to corporate labs, applied research disciplines and ambitious entrepreneurs to turn ideas into concrete products and services. For private-sector researchers, a KIC 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.

## **JOINING AN EXISTING KNOWLEDGE AND INNOVATION COMMUNITY AS A PARTNER**

First, you will have to ask yourself what your added value to the respective KIC will be and what kind of partner you want to be. Each KIC has autonomy in defining the partnership internally, i.e. to enter or cease its legal relationships and to define its internal agreements with the partner organisations, be they members, shareholders or other organisations. Each KIC has different types of partners and its own selection criteria, rights and responsibilities.

## **PREPARING TO APPLY TO BECOME A NEW EIT KIC**

Submitting a proposal to start an EIT KIC differs from applying to EU grant programmes given the partnership and the level of ambition in terms of the long-term impact expected. In your proposal, you will need to outline a strategy that demonstrates your ambitious but pragmatic approach to finding impactful solutions based on innovation potential. You will also need to show you can deliver successful innovative products, services and jobs, along with making a lasting

change in Europe's approach to innovation and entrepreneurship in relation to a global challenge. KIC partners must also be committed to creating a sustainable innovation ecosystem and understand the EIT's unique innovation model, its mission and its specificities. An EIT KIC must be born of a strong desire to do things differently and unite like-minded people and organisations 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 an entrepreneurial mindset based on an investment logic focused on long-term financial sustainability. And most of all, it must continuously innovate.

If you decide to submit a proposal to start a new EIT KIC, you will need to show that you are able to bring together a strong and coherent network of partners that is committed to developing and delivering your high-impact innovation strategy. A KIC 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](#) includes factsheets on the societal challenges that the future KICs will address. It is up to you, the expert in the field, to work with your partners and propose solutions to overcome these challenges.

If you are designated as a KIC, the first year will be a critical but important period to help reach legal and operational readiness. You will set up the EIT Community brand identity during this period. Partnership arrangements must be finalised, the legal entity established, permanent management team and staff recruited, and many details that were formerly theoretical will become very real – such as IP 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 KIC through a specific start-up grant awarded to the designated partnership, in order to:

- set up the 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 innovative activities, i.e. on education, innovation, business creation and communication.

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 guidance for the start-up phase. The partnership will then be asked to provide a plan of start-up activities together with the estimated budget. A successfully completed start-up period will then result in the signature of the 7-year Partnership Agreement and the first Grant Agreement to implement it.

There is more to running an EIT KIC, of course. But it is important to not lose sight of the big picture as you develop the details of your plan. The EIT Community delivers real and lasting change to the EU and this is your opportunity to innovate with us.

If you have the inspiration, drive, talent, knowledge and skills to start and manage the EIT's next KIC, we want to support you as you make vital contributions to solving some of the most pressing global challenges we face through innovation.

## GETTING IN TOUCH WITH THE EU

### In person

All over the European Union there are hundreds of Europe Direct centres. You can find the address of the centre nearest you online ([european-union.europa.eu/contact-eu/meet-us\\_en](https://european-union.europa.eu/contact-eu/meet-us_en)).

### On the phone or by email

Europe Direct is a service that answers your questions about the European Union. You can contact this service:

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696,
- via the following form: [european-union.europa.eu/contact-eu/write-us\\_en](https://european-union.europa.eu/contact-eu/write-us_en).

## FINDING INFORMATION ABOUT THE EU

### Online

Information about the European Union in all the official languages of the EU is available on the Europa website ([european-union.europa.eu](https://european-union.europa.eu)).

### EU publications

You can view or order EU publications at [op.europa.eu/en/publications](https://op.europa.eu/en/publications). Multiple copies of free publications can be obtained by contacting Europe Direct or your local documentation centre ([european-union.europa.eu/contact-eu/meet-us\\_en](https://european-union.europa.eu/contact-eu/meet-us_en)).

### EU law and related documents

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex ([eur-lex.europa.eu](https://eur-lex.europa.eu)).

### Open data from the EU

The portal [data.europa.eu](https://data.europa.eu) provides access to open datasets from the EU institutions, bodies and agencies. These can be downloaded and reused for free, for both commercial and non-commercial purposes. The portal also provides access to a wealth of datasets from European countries.

