



DECISION 08/2025
OF THE GOVERNING BOARD OF
THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY (EIT)

**ON THE PRINCIPLES FOR THE DETERMINATION OF THE
EIT FINANCIAL ALLOCATION TO THE KNOWLEDGE AND INNOVATION COMMUNITIES (KICs)
FOR THE 2026-2028 BUSINESS PLANS OF THE
SECOND, THIRD, FOURTH AND FIFTH WAVE KICs,
TO CROSS-KIC ACTIVITIES
AND TO THE EIT HIGHER EDUCATION INITIATIVE**

THE GOVERNING BOARD OF THE EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY,

HAVING REGARD to Regulation 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology (hereafter referred to as the “EIT Regulation (recast)”)¹, in particular to Article 18(7), Section 2(1)(c) and Section 3(5) of the Statutes annexed thereto;

HAVING REGARD to Decision 2021/820 of the European Parliament and of the Council of 20 May 2021 on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT) 2021-2027: Boosting the Innovation Talent and Capacity of Europe (hereafter referred to as the “EIT Strategic Innovation Agenda 2021-2027”)², in particular to Sections 3.6.2-3.6.3 and 5.2.1 thereof;

HAVING REGARD to Regulation 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013³;

HAVING REGARD to Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) (hereafter referred to as the “EU Financial Regulation”)⁴;

HAVING REGARD to Decision 21/2019 of the EIT Governing Board of the EIT of 25 September 2019 on the Financial Regulation of the European Institute of Innovation and Technology (hereafter referred to as the “EIT Financial Regulation”)⁵, in particular Article 1 thereof;

HAVING REGARD to the Decision of the Governing Board of the EIT of 16 December 2009 on the selection and designation of KIC InnoEnergy, Climate KIC and EIT ICT Labs⁶;

¹ OJ L 189, 28.5.2021, p. 61-90.

² OJ L 189, 28.5.2021, p. 91-118.

³ OJ L 170, 12.5.2021, p. 1–68.

⁴ OJ L 2024/2509, 16.9.2024, p. 1

⁵ Ref. Ares(2019)6810859

⁶ Ref. Ares(2010) 130286-11/03/2010



HAVING REGARD to the Decision of the Governing Board of the EIT of 9 December 2014 on the designation of the Knowledge and Innovation Communities (KICs) in the ‘Innovation for healthy living and active ageing’ theme and the: ‘Raw Materials sustainable exploration, extraction, processing, recycling and substitution’ thematic area⁷;

HAVING REGARD to Decision 29/2016 of the Governing Board of the EIT on the designation of the Knowledge and Innovation Communities (KICs) in the ‘Food for Future’ and ‘Added Value Manufacturing’ themes of 17 November 2016⁸;

HAVING REGARD to Decision 6/2018 of the Governing Board of the EIT of 2 March 2018 on the designation of the Knowledge and Innovation Community (KIC) in the ‘innovation for healthy living and active ageing’ theme and on the rejection of other applicants in the 2014 call for KICs’ proposals⁹;

HAVING REGARD to Decision 36/2018 of the Governing Board of the EIT of 4 December 2018 on the designation of the Knowledge and Innovation Community in the ‘Urban Mobility’ thematic area¹⁰;

HAVING REGARD to Decision 37/2018 of the Governing Board of the EIT of 5 December 2018 on the designation of the Knowledge and Innovation Community in the ‘Manufacturing’ thematic area¹¹;

HAVING REGARD to Decision 14/2021 of the Governing Board of the EIT of 7 May 2021 on the principles for financing, monitoring and evaluating Knowledge and Innovation Community (KIC) activities¹²;

HAVING REGARD to Decision 21/2021 of the Governing Board of the EIT on the authorisation of the EIT Director to prepare, negotiate and conclude partnership agreements and grant agreements¹³;

HAVING REGARD to Decision 42/2021 of the Governing Board of the EIT of 23 November 2021 on the supervision framework of Knowledge and Innovation Communities (KICs)¹⁴;

HAVING REGARD to Decision 06/2022 of the Governing Board of the EIT on the on the amendment of the principles on the financial sustainability of Knowledge and Innovation Communities (KICs) and repealing decision 13/2021 of the Governing Board of the EIT¹⁵;

HAVING REGARD to Decision 18/2022 of the Governing Board of the EIT of 22 June 2022 on the selection and designation of the EIT Knowledge and Innovation Community (KIC) in the area of Cultural and Creative Sectors and Industries¹⁶;

HAVING REGARD to Decision 38/2023 of the Governing Board of the EIT of 23 November 2023 on the continuation and scaling up of the Higher Education Institutions (HEI) Innovation Capacity Building Initiative beyond its pilot phase¹⁷;

⁷ 02008.EIT.2014.I.EIT.GB

⁸ 05940.EIT.2016.I.GB42

⁹ 01148.EIT.2018.I.E1

¹⁰ Ref. Ares(2018)6260797

¹¹ Ref. Ares(2018)6261053

¹² Ref. Ares(2021)3111256


¹³ Ref. Ares(2021)3798804

¹⁴ Ref. Ares(2021)7384565

¹⁵ Ref. Ares(2022)2098580

¹⁶ Ref. Ares(2022)4608261

¹⁷ Ref. Ares(2023)8036119



HAVING REGARD to Decision 24/2024 of the Governing Board of the EIT of 28 June 2024 on the conclusion of the Memorandum of Cooperation with EIT Climate-KIC, EIT Digital and EIT InnoEnergy¹⁸;

HAVING REGARD to Decision 36/2024 of the Governing Board of the EIT of 17 December 2024 on the adoption of the Final Single Programming Document (2024-2026) of the EIT¹⁹;

WHEREAS

- (1) As of 2021, the EIT is part of the Horizon Europe Framework Programme for Research and Innovation. The EIT awarded its first grants under Horizon Europe in the 2021-2022 period, which were then followed by the 2023-2024 / 2023-2025 grants to the KICs for the implementation of KIC Business Plans, Cross-KIC activities and the EIT Higher Education Initiative.
- (2) The purpose of the present EIT Governing Board decision is to lay down the funding allocation principles and criteria for use of the EIT budget 2026-2027 in the next grant cycle 2026-2028, taking into consideration the lessons learnt during the implementation of the previous grants awarded under Horizon Europe.
- (3) *As regards the KIC Business Plans*, the criteria for the funding allocation must follow a performance-based funding model in line with the EIT Regulation (recast) and the EIT Strategic Innovation Agenda 2021-2027. This performance-based allocation mechanism shall include assessing the KIC Business Plans and performance as measured by continuous monitoring in accordance with Article 18(7) of the EIT Regulation (recast) and as described in the EIT Strategic Innovation Agenda 2021-2027.
- (4) When calculating the scores for the funding in the 2026-2028 period, it is proposed to use coefficients as weights linked to the maturity of the KICs, in line with the table of Chapter 3.6.2 of the EIT Strategic Innovation Agenda 2021-2027. During the implementation of the 2026-2028 Business Plans, the second and third waves of KICs are expected to gradually decrease the share of EIT funding in their Business Plans, while increasing the level of co-funding from non-EIT sources.
- (5) *As regards the Cross-KIC activities*, in the 2026-2028 period KICs should continue to implement added-value Cross-KIC activities and shared services that shall explore the potential synergies and economies of scale, valorise the innovation potential across KICs, develop new innovation delivery mechanisms, promote the EIT Community and increase its visibility. In the 2026-2028 period, the areas of the Cross-KIC clusters are foreseen to be simplified, based on the lessons learnt of the 2023-2025 period.
- (6) *As regards the EIT Higher Education Initiative*, its purpose remains to create systemic impact in Europe through strengthening the entrepreneurial and innovation capacity of higher education institutions (HEIs). By its Decision 38/2023, the EIT Governing Board decided to confirm the continuation and scaling up of the initiative beyond its pilot phase (2021-2023) with a similar budget (MEUR 80) for the 2024-2027 period, out of which MEUR 30 has already been allocated until the end of 2025. The exact amount to be allocated overall and under the individual grant agreements will depend both on the overall availability of EIT funding as well as on the detailed proposal for the scaled up Initiative that will be developed under the lead of the coordinating KIC, EIT Raw Materials, in close consultation with the EIT.

¹⁸ Ref. Ares(2024)4696453

¹⁹ Ref. Ares(2024)9134718





- (7) Given the success and the high number of quality projects received in the 2024 Call for proposals (Call 4) under the EIT Higher Education Initiative, and given the foreseen 2025 Call for proposals (Call 5), the EIT Governing Board now proposes to ensure a higher budget until 2028 for the implementation of the EIT Higher Education Initiative, including the EIT's contribution to the activities under the EU Union of Skills and STEM education strategic plan.
- (8) In accordance with the EIT Strategic Agenda 2021-2027, some KICs' activities, due to their specific nature, might need extra incentives to be performed. To this aim, the EIT Governing Board might decide to apply more favourable funding conditions for Cross-KIC activities, RIS activities and EIT Higher Education Initiative). Similarly to the grant agreements signed in the period between 2021 and 2025, it is proposed to continue implementing these activities at a funding rate up to 100%.
- (9) The EIT Director should continue to define the specific criteria and modalities of the funding allocation processes with regard to the assessment of the proposals for KIC Business Plans, Cross-KIC activities and the EIT Higher Education Initiative.
- (10) In line with point 5 of Section 3 of the Statutes annexed to the EIT Regulation (recast), the agreement of the European Commission, expressed by its Representative in the EIT Governing Board, is necessary for the adoption of the present decision. Following the voting, the Commission, by way of its Representative, gave its agreement with the adoption of the present decision.

HAS DECIDED AS FOLLOWS:**CHAPTER 1
GENERAL PROVISIONS*****Article 1
Scope of the Decision***

- (1) The scope of the present Decision covers the EIT grants for the second, third, fourth and fifth wave KICs' Business Plans, Cross-KIC activities and the EIT Higher Education Initiative in the period of 2026-2028.
- (2) Grants awarded under Contribution Agreements signed by the European Commission and the EIT, and the grants for activities under the Memoranda of Cooperation (MoC) signed with first wave KICs are not subject to this Decision.

***Article 2
Funding allocation principles***

- (1) As required by Chapter 5.1 of the EIT Strategic Innovation Agenda 2021-2027,
 - at least 10% and a maximum of 15% of the overall EIT budget (2021-2027) shall be dedicated to implementing EIT RIS activities, thereby increasing the number of KIC partners from targeted regions;
 - a maximum of 7% of the overall EIT budget (2021-2027) shall be dedicated to Cross-KIC activities, including support to KICs for which the partnership agreement is expired or terminated;





- a maximum of 3% of the overall EIT budget (2021-2027) shall be dedicated to a pilot to help develop the entrepreneurial and innovation capacity of Higher Education institutions (HEI), this pilot initiative shall be of three years.
- (2) The KICs' co-financing requirements shall be aligned with the rates indicated in Chapter 3.6.2 of the EIT Strategic Innovation Agenda 2021-2027.
 - (3) In accordance with the EIT Strategic Innovation Agenda 2021-2027, some KIC activities, due to their specific nature, might need extra incentives to be performed. To this aim, the EIT Governing Board decides that:
 - EIT RIS activities will be implemented in 2026-2028 at a funding rate up to 100%,
 - Cross-KIC activities and shared services will be implemented in 2026-2028 at a funding rate up to 100%, and
 - The EIT Higher Education Initiative will be implemented in 2026-2028 at a funding rate up to 100%.
 - (4) Further to its Decision 38/2023 on the continuation and scaling up of the Higher Education Initiative beyond its pilot phase, the EIT Governing Board decides to earmark a higher budget for the implementation of the EIT Higher Education Initiative in the 2026-2028 period, including the EIT's contribution to the activities under the EU Union of Skills and STEM education strategic plan.
 - (5) The EIT RIS activities shall be integral part of the KIC Business Plans, in accordance with Chapter 3.2 of the EIT Strategic Innovation Agenda 2021-2027.

Article 3

Distribution of the 2026-2027 EIT budget for the period of 2026-2028

- (1) The overall **2026-2027 EIT budget** available for the multiannual funding allocation decision for the **2026-2028 period** is **MEUR 1,173** (indicative), including the estimated contributions from EEA-EFTA countries, and from other third countries already associated. This amount includes the future allocations for the new Knowledge and Innovation Community EIT Water in the period of 2026-2028.
- (2) The funding shall be distributed by means of separate 'funds', as follows:

	Type of 'Fund'	Indicative budget in 2026-2027 (MEUR)
1	EIT KIC Fund (i.e. KIC Business Plans 2026-2028) for KICs under Partnership Agreement	769²⁰
2	Cross-KIC Fund (i.e. Cross -KIC activities 2026-2028)	80
3	MoC Fund (i.e. for activities under the MoC in 2026-2027)	60
4	EIT Higher Education Initiative Fund (i.e. EIT Higher Education Initiative activities 2026-2028)	130
5	Earmarked for EIT Water (i.e. Start-up Grant 2026, KIC Business Plan 2027-2028)	54

²⁰ This amount is subject to change based on the KICs' voluntary decommitments in the Grant Agreements 2023-2025 that is expected to happen in mid-2025.



6	Withheld – to be allocated in 2027	80
Total		1,173

Article 4
Availability of EIT budget,
multiannual and additional allocation of the funding by the EIT Governing Board

- (1) The EIT Governing Board will take an **initial multiannual funding allocation decision**
 - for the 2026-2028 (second, third, fourth and fifth wave KICs) period for the EIT KIC Fund,
 - for the 2026-2028 period for the Cross-KIC Fund,
 - for the 2026-2028 period for the EIT Higher Education Initiative,
 - for the 2026-2027 period for the MoC Fund,

based on the assessment of the criteria laid down in this decision and a prudent multiannual planning.
- (2) Then, when the final EIT budget is known for 2027 the EIT Governing Board may take an **additional funding allocation decision** to either finance additional activities within the same Grant Agreements or to identify and finance strategic initiatives, together with the European Commission. The additional funding allocation will take into account the available EIT budget, the ongoing multiannual legal commitments between the EIT and the KICs, the performance of the KICs and the estimated financial needs.
- (3) If the final EIT budget available for 2027 requires it, the Governing Board authorises the EIT Director to make non-significant adjustments which do not result in a major change of the provisions of this Decision.

Article 5
Definition of modalities

- (1) The EIT Director shall launch the invitations in order to implement the different funds indicated in Article 3.
- (2) Based on the principles laid down in this Decision, the EIT Director shall define the modalities of the proposal assessment processes, in particular:
 - the different topics of the invitations,
 - the expected structure and content of the proposals and the estimated budgets,
 - the specific criteria and corresponding weightings for the evaluation,
 - the role and profiles of the independent external experts,
 - the timeline of the processes including when further communication to the KICs or feedback is foreseen,
 - the formal requirements for receiving the EIT financial contribution.
- (3) Funding allocation shall be subject to compliance with the Governing Board recommendations (if any) and the adjustments to be made to the proposals after the EIT's assessment.



CHAPTER 2 FUNDING TO KIC BUSINESS PLANS 2026-2028 (EIT KIC FUND)

Article 6

Distribution of the EIT grant among the waves of KICs in the period of 2026-2028

For the initial multiannual funding allocation for the period of 2026-2028, 769 MEUR is earmarked by taking into account the maturity of the KICs. To this end, the following coefficients will be used as weights when calculating the scores of the KICs:

KICs (maturity in 2026-2027)	Indicative coefficient
Second wave (Years 12-13)	15%
Third wave (Years 10-11)	25%
Fourth wave (Years 8-9)	40%
Fifth wave (Years 4-5)	30%

Article 7

Performance-based criteria

- (1) The financial allocation will be decided on the basis of the Horizon Europe criteria excellence, impact, and quality and efficiency of implementation, as follows:

Criteria	Maximum score	Type	Evidence
1) Progress in achieving strategic compliance: <ul style="list-style-type: none"> ▪ societal and economic impact targets ▪ governance ▪ KIC challenges based on GB recommendations 	50	Qualitative, progress and strategic plans	EIT GB Hearing
2) Past performance (2021-2024) <ul style="list-style-type: none"> ▪ Core KPI ▪ Financial Sustainability 	30	Quantitative, past performance 2021-2024	KIC reported and validated targets (EIT IT tool)
3) Business Plan proposal (2026-2028)	20	Qualitative, future outlook and beyond	Business Plan 2026-2028

- (2) The EIT Governing Board will decide on the maximum funding allocation for each KIC: the score received by each KIC will be converted to funding, based on the available budget, in proportion of the KICs' relative scores.



CHAPTER 3 FUNDING TO CROSS-KIC ACTIVITIES 2026-2028 (CROSS-KIC FUND)

Article 8 Criteria

- (1) For the initial multiannual funding allocation for the period of 2026-2028, **MEUR 80** is earmarked for the financing of all Cross-KIC activities within the Cross-KIC clusters.
- (2) The specific Cross-KIC clusters shall be indicated in the Invitation to be launched by the EIT Director.
- (3) All KICs under Partnership Agreement are expected to participate in the Cross-KIC activities, while KICs under MoC may participate in the activities within the duration of their MoC.
- (4) The financial allocation will be decided on the basis of the Horizon Europe criteria excellence, impact, and quality and efficiency of implementation, as follows:

Criteria	Maximum score	Evidence
Excellence <ul style="list-style-type: none"> - Relevance, value added and objectives - Quality of the proposed methodology - Financial sustainability 	40	Proposal
	For the shared services cluster only: 20	
Impact <ul style="list-style-type: none"> - Impact - Dissemination, and communication 	40	Proposal
	For the shared services cluster only: 20	
Quality and efficiency of implementation <ul style="list-style-type: none"> - Quality and effectiveness of the work plan, assessment of risks - Implementation efficiency - Capacity and role of each participant 	20	Proposal
	For the shared services cluster only: 60	

- (5) The EIT Governing Board will decide on the maximum funding allocation for the Cross-KIC clusters.

CHAPTER 4 FUNDING FOR THE EIT HIGHER EDUCATION INITIATIVE ACTIVITIES 2026-2028 (EIT HIGHER EDUCATION INITIATIVE FUND)

Article 9 *Criteria*

- (1) For the initial multiannual funding allocation for the period of 2026-2028, **MEUR 130** is earmarked for the financing of the EIT Higher Education Initiative.
- (2) In accordance with Article 2(3) above, the EIT Director shall define the content and requirements of the scaled-up EIT Higher Education Initiative, following a consultation of the lead coordinating KIC, EIT Raw Materials.
- (3) All KICs under Partnership Agreement are expected to participate in the EIT Higher Education Initiative activities, while KICs under MoC may participate in the activities within the duration of their MoC.
- (4) The financial allocation will be decided on the basis of the Horizon Europe criteria excellence, impact, and quality and efficiency of implementation, as follows:

Criteria	Maximum score	Evidence
Excellence <ul style="list-style-type: none"> - Clarity pertinence and relevance of the proposal's objectives - Quality of the proposed coordination and/or support measures including soundness of methodology. - Quality of synergies and links with existing initiatives at EU, national and regional level. - Credibility of the financial model and contribution to KICs financial sustainability. 	40	Proposal
Impact <ul style="list-style-type: none"> - Credibility of the pathways to achieve the expected outcomes and impacts specified in the EIT SIA 2021-2027, participating KICs' strategic agendas and in the EIT Impact Framework, and the likely scale and significance of the contributions due to the proposal. - Suitability and quality of the measures to maximise expected outcomes and impacts, as set out in the dissemination and exploitation plan, including communication activities. 	40	Proposal
Quality and efficiency of implementation <ul style="list-style-type: none"> - Quality and effectiveness of the work plan, assessment of risks, and appropriateness of the effort assigned to work packages, and the resources overall. - Capacity and role of each participant, and extent to which the consortium as a whole brings together the necessary expertise. 	20	Proposal

- (5) The EIT Governing Board will decide on the maximum funding allocation for the EIT Higher Education Initiative.





FUNDING ALLOCATION PRINCIPLES 2026-2028



Article 10 *Entry into force*

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

Done in Budapest on 11 April 2025²¹

Stefan Dobrev
Chairperson of the EIT Governing Board

²¹ Adopted by the Governing Board by means of written procedure

