Ref. Ares(2023)3421537 - 16/05/2023

European Institute of Innovation & Technology

The EIT is a body of the European Union



European Institute of Innovation and Technology

Invitation to request the amendment of KIC Business Plans 2023-2025 (2023-2024 in case of first wave KICs), of the Cross-KIC activities 2023-2025[1], and of the Higher Education Institutions (HEI) initiative 2023-2025

(Call HORIZON-EIT-2022-KIC)

Version 1.0
16 May 2023

[1] With the exception of the Thematic Innovation „H2CITIES".

HISTORY OF CHANGES			
Version	Publication Date	Change	Page
1.0	16.05.2023	Initial version	

Table of Contents

1. Introduction 5
2. Topics of the amendment 6
3. Available budget for the additional funding allocation 2024 6
4. Timetable and deadlines 7
4.1 Business Plan Grant Agreements 2023-2024 / 2023-2025 7
4.2 Cross-KIC Grant Agreements 2023-2025 8
4.3 HEI Grant Agreement 2023 8
5. Admissibility 9
6. Eligibility 9
7. Exclusion criteria 9
8. Financial and operational capacity 9
9. Amendment of KIC Business Plans 2023-2025 / 2023-2024 10
9.1 Topic description 10
9.2 Eligible entities 11
9.3 Eligible activities 11
9.4 Award criteria for the additional funding allocation 12
10. Amendment of Cross-KIC activities 2023-2025 16
10.1 Topic description 16
10.2 Eligible entities 18
10.3 Eligible activities 18
10.4 Award criteria for the additional funding allocation 18
11. Higher Education Institutions (HEI) Initiative 2023-2025 18
11.1 Finalisation of the HEI pilot 18
11.2 HEI continuation / discontinuation 19
11.3 Topic description for the HEI continuation (subject to a favourable GB decision) 19
11.4 Eligible entities 19
11.5 Eligible activities 20
11.6 Award criteria for the additional funding allocation 20
12. Submission of request for amendments 20
13. Data model and IT tools 20

14. Assessment process of the requests for amendment 20
14.1 Assessment of the requests for amendment 21
14.2 Multi-annual strategy assessment 22
14.3 Hearings with the KICs 22
15. Approval of the amendments – Amendment of the original award decisions – Grant Agreement amendment signature 23
16. Legal and financial provisions 23
16.1 Starting date, eligibility period 23
16.2 Maximum grant amount, reimbursement of eligible costs 24
16.3 Funding requirements in the EIT SIA 2021-2027 and funding rate in the grant agreement 24
16.4 Reporting and payment arrangements and deliverables 24
16.5 Portfolio approach and cascade funding 25
16.6 Financial support to third parties established in HE eligible countries and in non-HE eligible countries 25
16.7 Eligibility of direct and indirect costs 25
16.8 Eligible costs for equipment, infrastructure, and other assets 25
16.9 Joint and several liability of affiliated entities 25
16.10 KIC's control strategy 25
16.11 Publication of Business Plans on the KIC websites 26
17. Processing of personal data 26
Annex 1: Key principles and concepts of the EIT KIC model 27

1. Introduction

This is an **invitation addressed to the Knowledge and Innovation Communities (KICs) to request the amendment of the fifteen Grant Agreements** signed following the *Invitation to submit proposals for KIC Business Plans 2023-2025 (2023-2024 in case of first wave KICs), for the Cross-KIC activities 2023-2025, and for the Higher Education Institutions (HEI) initiative 2023-2025*[2] (hereafter "original invitation"). Therefore, in accordance with Article 39 of the Grant Agreements, the coordinators of these Grant Agreements will submit a request for amendment directly in the Portal Amendment tool in eGrants.

This invitation has the following purposes and scope:

1) **For the ongoing Business Plans 2024-2024 / 2023-2025 Grant Agreements of the first, second, third and fourth wave KICs:**
   - invite the KICs to update their Business Plans in light of the progress of the implementation made in 2023 so far;
   - invite the KICs to propose additional Business Plan activities in light of the foreseen additional funding allocation 2024;

2) **For the ongoing Cross-KIC 2023-2025 Grant Agreements (except the Thematic Innovation H2CITIES, which is not subject to this request for amendment and no additional funding allocation is foreseen to it):**
   - invite the Cross-KIC consortia to update their Cross-KIC Plans in light of the progress of the implementation made in 2023 so far;
   - invite the Cross-KIC consortia to propose additional activities in light of the foreseen additional funding allocation 2024;
   - allow EIT Culture & Creativity to join the Cross-KIC Grant Agreements as of 1 January 2024;

3) **For the ongoing HEI 2023 Grant Agreement regarding the finalisation of the HEI pilot:**
   - invite the HEI consortium to update the HEI Plan in light of the progress of the implementation made in 2023 so far;
   - invite the HEI consortium to propose additional activities for the finalisation of the HEI pilot,
   - allow EIT Culture & Creativity to join the HEI Grant Agreement as of 1 January 2024.

The initial funding allocation 2024-2025 for the first Business Plan of EIT Culture & Creativity is subject to a separate invitation.

The main conditions for the fifteen Grant Agreements in the 2023-2024 / 2023-2025 period are defined in the original invitation, guidelines and templates. These conditions continue to apply unless otherwise indicated herein. Further requirements concerning the amendment and the requirements for the additional funding allocation are laid down in this document.

[2] Ref. Ares(2022)6548792 (Amended version No 2)

Legal framework

The additional 2024 EIT financial contribution to the KICs will be determined based on the criteria and processes, as described below and in line with the following decisions of the EIT Governing Board:

- Decision 11/2022 of the EIT Governing Board on the principles for the determination of the EIT financial allocation to Knowledge and Innovation Communities' (KICs') Business Plans for 2023-2025 (2023-2024 for first wave KICs), to Cross-KIC activities and shared services for 2023-2025, and to the HEI initiative 2023[3],
- Decision 36/2022 of the EIT Governing Board on the adoption of the Final Single Programming Document (2023-2025), Annex XI on Grants, which will be the multiannual financing decision to award the grants for 2023-2025[4];
- Decision 02/2023 of the EIT Governing Board on the adoption of the Draft Single Programming Document (2024-2026), Annex XI on Grants[5],
- Decision 04/2023 on the principles for the determination of the additional EIT financial allocation for 2024 to the KICs' Business Plans for, to Cross-KIC activities and shared services, and to the HEI initiative[6],
- Decisions of the EIT Governing Board on the adoption of the
  - EIT Budget and Establishment Plan for the financial year 2024[7];
  - EIT Budget and Establishment Plan for the financial year 2025[8].

2. Topics of the amendment

The topics of the amendment are as listed in the original invitation (with the exception of the Thematic Innovation H2CITIES, which is not subject to this request for amendment).

3. Available budget for the additional funding allocation 2024

The total estimated budget for the additional funding allocation for 2024 (without the first allocation to the Business Plan of EIT Culture and Creativity, which is not subject to this invitation) **equals EUR 105 million** and shall be distributed by means of three separate 'funds', as follows:

[3] Ares(2022)2218730
[4] Ares(2022)8699476
[5] Ares(2023)709672
[6] Ares(2023)1853153
[7] To be adopted in Q4 of 2023.
[8] To be adopted in Q4 of 2024.

Type of 'Fund'	Indicative budget (in EUR million)
Additional EIT KIC Fund 2024 for the KIC Business Plans of eight KICs	80
Additional Cross-KIC Fund 2024	8
Additional HEI Fund for the finalisation of the HEI pilot	17
Total	**105**

The estimated amount takes into account the EIT's budget availability based on the 2021-2027 multiannual financial framework, including contributions from the European Commission and EEA-EFTA states, however without contributions from third countries for which the estimates for future contributions are unknown at this stage.

The EIT Governing Board may take an **additional funding allocation decision at the end of 2024**, taking 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. **Any additional funding allocation decision for the HEI Fund beyond the pilot is conditional upon a decision of the EIT Governing Board, depending on the outcome of the pilot phase**.

It shall be ensured that there is no double funding of KIC activities by the additional funding allocation and award.

4. Timetable and deadlines

4.1 Business Plan Grant Agreements 2023-2024 / 2023-2025

The indicative timeline of the amendment procedure for Business Plan Grant Agreements 2023-2024 / 2023-2025 is as follows:

Key dates	Date and time or indicative period
Deadline to submit the requests for amendment	**28 September 2023**
Assessment of the requests for amendment Requests for additional information and clarifications from the EIT	October-December 2023
Hearings of the KICs with the EIT Governing Board	November 2023
Additional funding allocation decision by the EIT Governing Board, Letters sent to the KICs, including strategic recommendations	**November 2023** Early December 2023
KICs to submit the final requests for amendment	December 2023
Amendment of the original grant award decisions by the EIT Director	January 2024
Signature of the amendments of the Grant Agreements	**January-February 2024**

Key dates	Date and time or indicative period
Submission of additional pre-financing reports	60 days after end of reporting period (i.e. 12 months)
Second pre-financing payments	60 days from receiving the additional pre-financing report

4.2 Cross-KIC Grant Agreements 2023-2025

The indicative timeline of the amendment procedure for **Cross-KIC Grant Agreements 2023-2025** is as follows:

Key dates	Date and time or indicative period
Deadline to submit the requests for amendment	**28 September 2023**
Assessment of the requests for amendment Requests for additional information, clarifications from the EIT	October– December 2023
Additional funding allocation decision by EIT Governing Board, Letters sent to the Cross-KIC consortia	**November 2023** Early December 2023
Cross-KIC consortia to submit the final requests for amendment	December 2023
Amendment of the original grant award decisions by the EIT Director	January 2024
Signature of the amendments of the Grant Agreements	**January-February 2024**
Submission of additional pre-financing reports	60 days after end of reporting period (i.e. 12 months)
Second pre-financing payments	60 days from receiving the additional pre-financing report

4.3 HEI Grant Agreement 2023

The indicative timeline of the amendment procedure for the **HEI Grant Agreement 2023** is as follows:

1) Finalisation of the HEI pilot

Key dates	Date and time or indicative period
Deadline to submit the request for amendment for the finalisation of the HEI pilot	**28 September 2023**
Assessment of the request for amendment Requests for additional information, clarifications from the EIT	October– December 2023
Funding allocation decision by the EIT Governing Board to cover the finalisation of the pilot projects Letter sent to the HEI consortium	**November 2023** **Early December 2023**
Amendment of the original HEI grant award decision	December 2023-February 2024
Signature of the amendment of the HEI Grant Agreement (extension of duration and increase of grant to cover the finalisation of the pilot projects, adding second pre-financing)	**December 2023-February 2024**

Submission of additional pre-financing report	60 days after end of reporting period (i.e. 12 months)
Second pre-financing payment	60 days from receiving the additional pre-financing report

2) HEI continuation

The following timeline is purely indicative and may be subject to change.

In case of a favourable decision of the EIT Governing Board about the HEI pilot, the EIT may issue a new Invitation to request an amendment for the continuation of the HEI actvitites. This Invitation will include a detailed timeline as well.

Key dates	Date and time or indicative period
Decision of the EIT Governing Board about the HEI pilot based on the result of the independent evaluation	**November 2023**
Invitation to request the amendment of the HEI Grant Agreement	**December 2023**
Deadline to submit the request for an amendment for the HEI continuation	**15 January 2024**
Additional funding allocation decision by EIT Governing Board and letter sent to the HEI consortium	March 2024

5. Admissibility

The requests for amendment must be submitted by the coordinators of the Grant Agreements no later than the deadline indicated in the table in Chapter 4, via the amendment functionality of the eGrants tool.

The submission shall comply with the respective guidelines and templates[9]. Unless otherwise indicated in this invitation, failure to comply with this requirement may lead to the rejection of the proposed amendment.

The requests for amendment must be drafted in English.

6. Eligibility

The **entities eligible for funding** and **activities eligible for funding** under the Grant Agreements are defined in the original invitation.

[9] https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/amendment-guide_en.pdf

7. Exclusion criteria

The **exclusion criteria** and **evidence** under the Grant Agreements are defined in the original invitation.

8. Financial and operational capacity

The requirements for the **financial** and **operational capacity** under the Grant Agreements are defined in the original invitation.

9. Amendment of KIC Business Plans 2023-2025 / 2023-2024

9.1 Topic description

9.1.1 EIT Digital Business Plan 2023-2024 (Topic ID: HORIZON-EIT-2023-24-KIC-EITDIGITAL)

The expected outcome, objectives, scope and expected impact, are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 3.2 million

9.1.2 EIT InnoEnergy Business Plan 2023-2024 (Topic ID: HORIZON-EIT-2023-24-KIC-EITINNOENERGY)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 3.2 million

[10] The estimated budget for the topic is an average figure resulting from the available budget (see Chapter 3), therefore it can be significantly higher or lower depending on the outcome of the Funding Allocation (see sub-chapter 9.4. Award Criteria).

9.1.3 EIT Climate-KIC Business Plan 2023-2024 (Topic ID: HORIZON-EIT-2023-24-KIC-EITCLIMATEKIC)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 3.2 million

9.1.4 EIT Health Business Plan 2023-2025 (Topic ID: HORIZON-EIT-2023-25-KIC-EITHEALTH)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 15.5 million

9.1.5 EIT RawMaterials Business Plan 2023-2025 (Topic ID: HORIZON-EIT-2023-25-KIC-EITRAWMATERIALS)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 15.5 million

9.1.6 EIT Food Business Plan 2023-2025 (Topic ID: HORIZON-EIT-2023-25-KIC-EITFOOD)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 15.5 million

9.1.7 EIT Urban Mobility Business Plan 2023-2025 (Topic ID: HORIZON-EIT-2023-25-KIC-EITURBANMOBILITY)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 12 million

9.1.8 EIT Manufacturing Business Plan 2023-2025 (Topic ID: HORIZON-EIT-2023-25-KIC-EITMANUFACTURING)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the KIC is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic[10]: EUR 12 million

9.2 Eligible entities

The requests for the amendment of the Business Plans shall be submitted by KIC LEs on behalf of the KIC partnership. The requirements for the eligible entities in the Business Plans are defined in the original invitation.

9.3 Eligible activities

In addition to the eligible activities described in Chapter 6, specific eligibility criteria, regarding the EIT Regional Innovation Scheme (EIT RIS) activities are laid down in the original invitation, with the following additional information:

Complementing the EIT RIS Implementation Framework 2022-2027, a set of minimum standards and guiding principles for EIT RIS Hubs was adopted by the EIT-KIC Forum in July 2022 and published on the EIT website in September 2022, underpinning the establishment and operation of all EIT RIS Hubs with a view to ensuring their effectiveness in contributing towards achieving the EIT's objectives and KPIs, while also enhanced coordination. The EIT RIS Hubs Minimum Standards and Guiding Principles became fully applicable as of 1 January 2023 and must be taken fully into consideration by the KICs.

9.4 Award criteria for the additional funding allocation

For the additional funding allocation 2024, the EIT KIC Fund shall be split as follows:

KIC wave	Indicative split
First wave (EIT Climate-KIC, EIT Digital, EIT InnoEnergy)	12%
Second and third waves (EIT Health, EIT RawMaterials, EIT Food)	58%
Fourth wave (EIT Manufacturing, EIT Urban Mobility)	30%

The EIT Governing Board will decide on the additional funding for each KIC, which will be calculated on a set of criteria, taking into account the performance of KICs:

Criteria	Maximum score	Type	Evidence
1) Progress in implementing the multiannual strategy of the EIT and the KIC (impact on the global challenges through KTI, progress towards the objective of financial sustainability, follow up of the EIT GB strategic recommendations, good governance)	40	Qualitative, progress in 2023 against multiannual goals	EIT GB Rapporteur visit conclusions; EIT GB Hearing minutes
2) Level of financial sustainability achieved (2022)	10	Quantitative, past performance 2022	KIC report 2022
3) Impact achieved measured by EIT core KPIs (2022)	35	Quantitative, past performance 2022	KIC report 2022
4) Amended Business Plan proposal (2023-2024 / 2023-2025)	15	Qualitative, future outlook 2024 and beyond	Experts' reports on the Amended Business Plan 2023-2024 / 2023-2025

The score received by individual KICs will be converted to funding, based on the indicative budget per wave, in proportion of KICs' relative scores. Second and third wave KICs are grouped for the purpose of the calculation.

The detailed sub-criteria, scoring methodology and evidence are explained in the following subchapters.

9.4.1 Progress in implementing the multiannual strategy

The following will be considered when assessing the multiannual strategy criterion:

- Consistency with the strategic objectives of the European Union, in particular Horizon Europe and the EIT Strategic Innovation Agenda: KIC's contribution to achieving these goals;
- Progress in implementing the multiannual strategy: implementing GB strategic recommendations; impact in addressing the global challenges through knowledge triangle integration; financial sustainability approach and outlook; compliance with good governance principles.

The main focus will be on the following points:

- Impact from the strategy on societal challenges (success stories, top innovations);
- Effectiveness of financial sustainability strategy (assets created and revenue diversification);
- Innovation ecosystem effectiveness (governance, openness and geographical balance incl. RIS results).

The following indicative scale will be used (maximum 40 points):

- 0-7: KIC fails to demonstrate sufficient strategic focus, insufficiently addressing the key recommendations
- 8-14: Poor – KIC addresses the relevant aspects inadequately or there are serious inherent weaknesses
- 15-21: Fair – KIC broadly addresses the relevant aspects, but there are significant weaknesses
- 22-28: Good – KIC addresses the relevant aspects well, but a number of shortcomings are present
- 29-35: Very good – KIC addresses all relevant aspects very well, but small number of shortcomings are present
- 36-40: Excellent – KIC successfully addresses all relevant aspects. Any shortcomings are minor.

Evidence: The assessment with scores will be based on:

- the information provided by EIT and KICs in the framework of the EIT GB Rapporteur visit as well as other supporting documents e.g.: EIT dashboard / challenges paper;
- the Hearings with the EIT Governing Board.

As for supporting documents, the EIT will provide to the EIT Governing Board information synthesised from different available sources, among others based on the results of monitoring activities performed, identifying strength / weaknesses and critical challenges. They will focus on multi-annual aspects and trends. The KICs will be requested to address questions at the Hearings with the EIT Governing Board through a presentation and at the Q&A session.

9.4.2 Level of financial sustainability achieved (2022)

The financial sustainability coefficient will be scored as follows, based on validated data for the year 2022:

Score	1st wave KICs	2nd wave KICs	3rd wave KIC	4th wave KICs
10	≥50%	≥40%	≥30%	≥20%
8	≥40% - <50%	≥32% - <40%	≥24% - <30%	≥16% - <20%
6	≥30% - <40%	≥24% - <32%	≥18% - <24%	≥12% - <16%
4	≥20% - <30%	≥16% - <24%	≥12% - <18%	≥8% - <12%
2	≥10% - <20%	≥8% - <16%	≥6% - <12%	≥4% - <8%
0	<10%	<8%	<6%	<4%

The financial sustainability coefficient captures the ability of the KIC Legal Entities and Co-location Centres to generate revenues from and attract financing to its KAVA activities. The allowed categories of financing are listed in the KICs Financial Sustainability principles adopted in March 2022 by the EIT GB[11]. The financial sustainability coefficient is calculated as the total amount of revenues and financing attracted excluding the financial contribution from the EIT divided by the EIT funding provided for EIT Funded Activities.

[11] https://eit.europa.eu/library/gb-decision-062022-amendment-principles-financial-sustainability-knowledge-and-innovation

Evidence: The assessment with scores will be based on the submitted KIC Reports 2022 and their assessment carried out by experts and validated by the EIT.

9.4.3 Impact achieved measured by EIT core KPIs (2022)

The final score will be calculated as the sum of the results for the following EIT core KPIs based on the validated values achieved in the year 2022:

Code[12]	Title	Score
EITHE02.4	Number of **innovations launched on the market** during the KAVA duration or within 3 years after completion with a sales revenue of **at least 10 000 EUR** documented	Max 5
EITHE04.4	Number **of start-ups created** as a result / based on the output(s) of KAVA(s), or start-ups created for the purpose of an innovation project to organise and support the development of an asset (but not later than three years after the completion of KAVA) having a financial transaction of **at least 10 000 EUR** for a service/product sold to customers	Max 5
EITHE05.1	Number of **start-ups created by students enrolled and graduates from EIT-labelled** MSc and PhD programmes	Max 5
EITHE06.1	**Investment attracted** in EUR by KIC-supported start-ups and scale-ups	Max 5
EITHE07.4	Number of **graduates from EIT-labelled** MSc and PhD programmes	Max 5

Primarily, the results will be benchmarked against the annual targets for 2022 in the KIC's approved Strategic Agenda. For each EIT core KPI the score will be calculated by comparing the achieved value with the target set in the Strategic Agenda on a scale of 0-3 (for example, if the target is 10 and the achievement is 7, then the score will be equal to 7/10 * 3 = 2.1). A zero target and/or zero achievement will produce zero score. One extra point will be awarded on each EIT core KPI, for overachievement of at least 10% (or by 1 if 10% of the target is below 1). In addition, one extra point will be awarded for the best achievement within the wave, considering the nominal value of the KPI (as opposed to achievement against the KIC's own target).

Furthermore, if for any of the above EIT core KPIs at least 15% of the achievement is attributable to RIS countries (i.e. innovation, start-up or student originating from RIS country), one extra point will be awarded per KPI. As such the RIS element accounts for a maximum of 5 points.

In addition, diversity will be scored as follows, taking into account the less represented gender in top governance and management positions combined:

Score	Proportion of less represented gender
5	≥40%

[12] KPI codes used in the KIC SA and BP 2023-25 template differ for some KPIs. KPIs are therefore identified by their titles and definitions. e.g. the KPIs coded EITHE02.4, EITHE04.4 and EITHE07.4 in the BP23-25 template are referring to the KPIs coded as EITHE02.1, EITHE04.1 and EITHE07.1 in the SA.

2.5	≥25% - <40%
0	<25%

Top governance refers to the members of KIC boards (Supervisory Board or equivalent), whilst KIC management refers to the KIC CEO, COO, CFO / Director of Finance, Chief Strategy Officer, Pillar directors (Education, Innovation, Business Creation) and CLC Directors.

Evidence: The assessment with scores for the EIT core KPIs will be based on the submitted KIC Reports 2022 and their assessment carried out by experts and validated by the EIT. As for diversity, the score will be given based on the state of play reported by the KIC as of the Business Plan amendment submission deadline, validated by the EIT.

9.4.4 Amended Business Plan proposal

Amended Business Plans for 2023-2025 (2023-2024 in case of first wave KICs) will be assessed by the EIT with support of external experts, however the scope will be limited to changes compared to the initial Business Plan, which was assessed already in 2022 as part of the initial funding allocation 2023-2024/25. Due to additional funding, it is expected that ambitions described in the amended Business Plans will be increased.

The following three sub-criteria will be considered:

- Excellence, including objectives and ambition; methodology; financial sustainability;
- Impact including KIC's pathways towards impact; measures to maximise impact - dissemination, exploitation, and communication;
- Quality and efficiency of the implementation including work plan and resources at portfolio level; capacity of participants and KIC Partnership as a whole.

The scores received for the initial Business Plan proposals will be considered as a starting point, however based on the assessment by external experts, they can be adjusted in either direction by maximum 3 points in overall.

As a reminder, the scale used for the Business Plan assessment is as follows where each of the three sub-criteria can score maximum 5 points, adding up to a maximum of 15 points:

- 0: KIC fails to address the relevant aspects
- 1: Poor – KIC addresses the relevant aspects inadequately, or there are serious inherent weaknesses.
- 2: Fair – KIC broadly addresses the relevant aspects, but there are significant weaknesses
- 3: Good – KIC addresses the relevant aspects well, but a number of shortcomings are present
- 4: Very good – KIC addresses all relevant aspects very well, but a small number of shortcomings are present
- 5: Excellent – KIC successfully addresses all relevant aspects. Any shortcomings are minor.

Evidence: The assessment with scores will be based on the assessment of submitted Business Plan amendments compared to the description of the action included in the original Grant Agreements, supported by external experts.

10. Amendment of Cross-KIC activities 2023-2025

10.1 Topic description

10.1.1 Cross-KIC Shared Services 2023-2025 (Topic ID: HORIZON-EIT-2023-25-Cross-KIC-SharedServices)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the Cross-KIC consortium is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

In addition, the expected outcome should be extended as follows compared to the original invitation:

- Proposing and establishing a **Shared Service Centre,** i.e. a dedicated organisational entity/team within a KIC, which will provide services to all KICs in administrative and operational domains and processes that are common to all KICs such as joint procurement, management of external experts, HR services (e.g. payroll, recruitment), accounting, sustainable office management, legal support and data protection, training and capacity building of KICs, anti-fraud measures, document management etc.

The expected scope should be extended as follows compared to the original invitation:

- Shared Service Centre

Estimated additional budget for the topic: EUR 2.0-2.4 million

10.1.2 Cross-KIC Strategic Outreach 2023-2025 (Topic ID: HORIZON-EIT-2023-25-Cross-KIC-Strategic Outreach)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the Cross-KIC consortium is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic: EUR 0.9-1.1 million

10.1.3 Cross-KIC Strategic Regional Innovations 2023-2025 (Topic ID: HORIZON-EIT-2023-25-Cross-KIC-Regional Innovations)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the Cross-KIC consortium is expected to propose additional activities in light of the foreseen additional funding allocation 2024.
In addition, the expected outcome should be extended as follows compared to the original invitation:

- Scoping, preparation and implementation of innovation support activities targeting the Western Balkans region, Ukraine and Moldova.

The expected geographical scope should be extended as follows compared to the original invitation:

- Regions and countries eligible under the EIT RIS scheme as well as other priority countries and regions, including all the Western Balkan economies and, potentially, Moldova.

Estimated additional budget for the topic: EUR 0.9-1.1 million, to be used primarily to enhance the Cluster's work on Ukraine, Moldova, and the roll-out of EIT Community RIS Hubs

10.1.4 Cross-KIC Strategic Synergies 2023-2025 (Topic ID: HORIZON-EIT-2023-25-Cross-KIC-StrategicSynergies)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the Cross-KIC consortium is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic: EUR 0.9-1.1 million

10.1.5 Cross-KIC Strategic Education 2023-2025 (Topic ID: HORIZON-EIT-2023-25-Cross-KIC-StrategicEducation)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the Cross-KIC consortium is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic: EUR 1.6-2.0 million, to be used mostly (but not exclusively) under the work package on Deep Tech Talents Initiative

10.1.6 Cross-KIC Strategic Access to Finance 2023-2025 (Topic ID: HORIZON-EIT-2023-25-Cross-KIC-StrategicFinance)

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the Cross-KIC consortium is expected to propose additional activities in light of the foreseen additional funding allocation 2024.

Estimated additional budget for the topic: EUR 0.9-1.1 million

10.2 Eligible entities

The requirements for the eligible entities in the Cross-KIC activities are defined in the original invitation.

10.3 Eligible activities

Eligible activities are described in the original invitation and additionally in Chapter 10.1 above.

10.4 Award criteria for the additional funding allocation

The award criteria for the additional funding allocation are indicated in the original invitation.

11. Higher Education Institutions (HEI) Initiative 2023-2025

The purpose and specific objectives of the HEI Initiative are described in the original invitation.

11.1 Finalisation of the HEI pilot

The ongoing HEI Grant Agreement was signed for EUR 30 million for the duration of 2023. The pilot projects were selected under Call 1, Call 2 and Call 3 by the KICs.

In accordance with the clarification received from the European Commission in 2022 following the original invitation to KICs to submit proposals, based on the requirements of the EIT Strategic Innovation Agenda 2021-2027, **all contracts under the pilot HEI phase must be signed by the KICs before the end of 2023, although it is possible to continue the finalisation of the pilot by mid-2024, to ensure a 3-year period for the HEI pilot is respected and provided that the new EIT legislative package was only adopted and published late May 2021.**

Based on the figures submitted in Grant Reporting 2021-2022, the total costs associated with implementing the HEI Initiative in 2021-2022 come to EUR 29.09 million (the initially planned amount stood at EUR 35.6 million). Considering the upper limit (3% of the EIT budget) and the 2023 budget (EUR 32.85 million) and taking into account the projects selected in the particular calls, the costs associated with the finalisation of the pilot projects are **estimated at EUR 17 million**. It is important to note that increasing the budget to finalise the pilot phase by EUR 17 million will not exceed the maximum amount for the pilot initiative as provided in the EIT Strategic Innovation Agenda 2021-2027 (3% of the EIT budget).

Additionally, the **duration of the Grant Agreement should be extended at least until end 2024 (details to be determined) to allow the finalisation of the HEI pilot activities.**

11.2 HEI continuation / discontinuation

In line with the Strategic Innovation Agenda 2021-2027, the **evaluation of the HEI pilot by independent external experts** is carried out in 2023 (currently ongoing), and the results shall be communicated to the Member State Representatives Group (MSRG) and the European Parliament.

Based on the results of that evaluation, **the EIT Governing Board shall decide whether the pilot Higher Education Initiative is to be either continued and scaled up or discontinued.**

In case of a favourable decision of the EIT Governing Board about the HEI pilot, the EIT may issue a new Invitation to request an amendment for the continuation of the HEI actvitites.

11.3 Topic description for the HEI pilot finalisation

The expected outcome, objectives, scope and expected impact are described in the original invitation. As set out in Chapter 1 of this invitation, as part of its request for amendment, the HEI consortium is expected to propose additional activities for the finalisation of the HEI pilot.

Estimated additional budget for the topic: EUR 17 million

11.4 Eligible entities

The requirements for the eligible entities in the HEI initiative are defined in the original invitation.

11.5 Eligible activities

The eligible activities are defined in the original invitation.

11.6 Award criteria for the additional funding allocation

The award criteria for the additional funding allocation are indicated in the original invitation.

12. Submission of request for amendments

The requests for amendments of the fifteen Grant Agreements must be submitted electronically using the amendment functionality of the eGrants tool via the EU Funding and Tenders portal[13].

Amendments requested by the consortium shall follow specific arrangements[14]. Amendments shall not call into question the original award of the grants.

Please keep the limit to a maximum of **50 pages** (Grant Agreement Annex 1 - Part B) in the case of amended Business Plans, as it is requested to include an Executive Summary; and to a maximum of **45 pages** (Grant Agreement Annex 1 - Part B) in the case of Cross-KIC activities and HEI. All tables, figures, references and any other element shall be consistent with Grant Agreement Annex 1 – Part A.

The KICs, the Cross-KIC consortia and the HEI consortium may be asked for further clarification during the amendment process, if it is considered necessary by the EIT to complete the assessment (for example, on deliverables definitions, KPIs targets, cost-related information, etc.).

13. Data model and IT tools

The data model and IT tools in use are defined in the original invitation.

[13] https://webgate.ec.europa.eu/funding-tenders-opportunities/display/IT/How+to+launch+an+amendment
[14] https://webgate.ec.europa.eu/funding-tenders-opportunities/display/OM/Amendments

14. Assessment process of the requests for amendment

The different steps and scope of the assessment process of the amendment requests of the fifteen Grant Agreements are summarised as follows:

Steps	Requests for amendment of the eight Business Plan Grant Agreements 2023-2024 / 2023-2025	Requests for amendment of the six Cross-KIC Grant Agreements 2023-2025	Request for amendment of the HEI Grant Agreement 2023
Assessment by independent external experts and EIT	Yes	Yes	Yes
First requirement letter	Yes	Yes	Yes
GB Rapporteurs	Yes	-	-
GB Hearings	Yes	-	-
Additional funding allocation decision of the EIT Governing Board	Yes	Yes	Yes
GB recommendations and/or conditions	Yes	-	-
Second requirement letter	Optional	Optional	Optional

14.1 Assessment of the requests for amendment

The requests for amendment of the fifteen Grant Agreements (in particular the proposed additional activities) shall be assessed by **independent external experts** selected by the EIT and organised in panels. The assessment will be supported by EIT officers. The KICs shall not have direct or indirect contact with the external experts regarding the assessment process at any time, including during or after the assessment exercise. The information and the names of the experts shall remain confidential.

The assessment will be carried out and scored against the award criteria **at portfolio level,** based on the evidence presented in the previous chapters. To ensure quality of the amended Business Plan at portfolio level, Cross-KIC and HEI, the additional information submitted as part of the amendment will be assessed in terms of **(a) Excellence**, **(b) Impact** and **(c) Quality and efficiency of the implementation**. Furthermore, regularity and legality and other elements relating to the applicable Grant Agreement amendment provisions are also verified.

The outcomes of the amended Business Plan, Cross-KIC and HEI Grant Agreement assessments are included in reports which contain the scores substantiated by due justifications. The outcome of this assessment leads to **formal EIT requirements** which shall be met prior to the approval of the amended Grant Agreements including the KIC Business Plan, Cross-KIC and HEI as a condition for the amendment of the original grant award and the Grant Agreement amendment signature.

Evidence: the complete requests for amendment of the Business Plans, Cross-KIC, HEI GA Annex 1 – Part A and Part B with its Annexes. The EIT and the experts may also consult other submitted documentation during the amendment request submissions, as described by the annotated templates and Horizon Europe Guidelines, or may browse publicly available sources to verify information provided by the KICs[15].

14.2 Multi-annual strategy assessment

The strategy and multi-annual progress assessment will be carried out by the **EIT Governing Board** with support from the appointed EIT GB Rapporteurs. It will focus on the **KIC development and achievements over the years from the strategic perspective**, i.e. how successful is the KIC in reaching the EIT's and KIC's strategic objectives. Part of this assessment will be also to verify that the strategic recommendations made by the EIT Governing Board in previous years have been addressed by the KICs and that monitoring recommendations are followed up. It will also include the performance of the KIC during the Hearings with the EIT Governing Board.

The assessment will be carried out by EIT GB Rapporteurs, designated by the EIT Governing Board, to oversee the assessment process and report back to the Board during the Hearings with the KICs.

The EIT GB Rapporteurs' main role will be to **meet the KICs in the particular wave in order to familiarise with the KICs' strategic and multi-annual development.** The EIT GB Rapporteurs will discuss the state-of-play of implementing the strategic recommendations with high-level representatives of the KIC (CEO, Chairperson or Members of the KIC Board). Any other topics of strategic importance identified during the year can also be discussed. The EIT GB Rapporteurs will conclude the visit with feedback to the KIC with respect to the key strengths and weaknesses and recommendations/ remaining challenges. The meeting will be documented in the form of main conclusions report. Based on the knowledge gained during the visit and the KIC's weaknesses identified, the EIT GB Rapporteurs will highlight the KIC's key challenges which will then be discussed at the Hearings with the KICs.

14.3 Hearings with the KICs

The Hearings with the KICs constitute an important part of the multi-annual strategy assessment, but also, they embrace the whole financial allocation process. **The Hearings will be held in person** on the date shown in the indicative timeline in Chapter 3. The modalities of the Hearings, in particular the scope and structure of the KIC interventions and the time allocated, will be communicated to the KICs in due time.

The main objective of the Hearing will be to conclude on the Multi-Annual Strategy criterion assessment and to issue strategic recommendations to the KICs. The Hearings will comprise of a short introduction and an in-depth Q&A session aiming to increase the level of interaction with the KICs, enabling a deep discussion and understanding of the KIC strategy. The sessions will focus on key strategic challenges in areas referred to in chapter 9.4 of this invitation. Following the Hearings, the EIT Governing Board will take a decision on the final scores.

The EIT Governing Board will issue recommendations to KICs on strategic elements to improve key areas in order to maximise the impact and deliver on the EIT's Strategic Innovation Agenda.

[15] https://eit.europa.eu/our-activities/opportunities/eit-launches-horizon-eit-2023-2025-kic-call

15. Approval of the amendments – Amendment of the original award decisions – Grant Agreement amendment signature

The EIT Governing Board will take a decision on the level of the additional maximum EIT financial contribution for each KIC, Cross-KIC activities and HEI, in accordance with the timeline indicated in Chapter 3.

The EIT Director will communicate the amendment assessment results to the KICs and request the submission of the updated version of the GA Annex 1 – Part A and Part B based on:

(a) the EIT requirements for the GA Annex 1 revision, and
(b) the EIT Governing Board strategic recommendations.

If necessary, in the course of January 2024, **second requirement letters** may be sent to KICs, the Cross-KIC consortia and the HEI consortium, based on the first requirement letter.

The formal requirements issued by the EIT – including the maximum EIT contribution – shall be met prior to the approval of the amendment requests as a condition for the additional grant award and the signature of the Grant Agreement amendments.

A clarification session is offered to each KIC, Cross-KIC and HEI consortium following each requirement letter.

The EIT Governing Board's additional allocation decision for 2024 will serve as the basis for the award of the additional for 2024 by the EIT Director and for the conclusion of the Grant Agreement amendments, provided that the updated versions, including the estimated budget:

- are in compliance with the requirements laid down in the original invitation, respective guidelines and this invitation;
- meet the requirement letter(s) issued by the EIT Director, including the decided maximum EIT additional financial contribution;
- are aligned with the Strategic Recommendations (if any) issued by the EIT Governing Board.

The Grant Agreements are inbuilt in the eGrants tool and amendments will be signed within the tool (not on paper).

16.Legal and financial provisions

16.1 Starting date, eligibility period

The requirements regarding the **starting date** and **eligibility period** are defined in the original invitation and were clearly defined in the Data Sheet of the Grant Agreements. As stated in the original invitation, the duration of the Grant Agreements may be extended by the EIT only in an exceptional situation.

The only exception is the Grant Agreement on the HEI initiative activities which is currently signed for 2023 only, in line with the original invitation.

- The extension of the duration the Grant Agreement until mid-2024 (to be determined) will be necessary to allow the finalisation of the HEI pilot projects.
- The extension of the duration of this Grant Agreement for the period of 2024-2025 may take place only in case of a favourable decision of the EIT Governing Board regarding the continuation of the HEI pilot (this will be subject to a new Invitation, as mentioned above).

The extension of the duration shall always be formalised with an amendment of the Grant Agreement.

16.2 Maximum grant amount, reimbursement of eligible costs

The main requirements regarding the **maximum grant, reimbursement of eligible costs** are defined in the original invitation.

16.3 Funding requirements in the EIT SIA 2021-2027 and funding rate in the grant agreement

The **SIA funding requirements**, the **specific funding rates for EIT RIS, Cross-KIC and HEI activities**, the **Non EIT Funded activities (NEFA)**, and the **Single Reimbursement Rate (SRR) in the Grant Agreements** are defined in the original invitation.

16.4 Reporting and payment arrangements and deliverables

The general requirements regarding **reporting and payments**, as referred to in the original invitation shall continue to apply, with the updated requirements explained here below:

For Business Plans 2023-2025, for Cross-KIC 2023-2025 and HEI 2023-2025:

The payment and reporting modalities were indicated in the original invitation.

The **first pre-financing payment** under each Grant Agreement was made within 30 days following the grant agreement signature.

The **second pre-financing payment** will depend on the additional funding allocation decision and the available payment credits under the EIT budget for financial year 2024. Therefore, **the second pre-financing payment indicated in the Grant Agreements shall be adjusted (increased/decreased) at the time of the signature of the amendment**.

For Business Plans 2023-2024:

The payment and reporting modalities were indicated in the original invitation.

The **first pre-financing payment** under each Grant Agreement was made within 30 days following the Grant Agreement signature.

The **second pre-financing payment** will depend on the additional funding allocation decision and the available payment credits under the EIT budget for financial year 2024. Therefore, **the second pre-financing payment indicated in the Grant Agreements shall be adjusted (increased/decreased) at the time of the signature of the amendment**.

16.5 Portfolio approach and cascade funding

The main requirements regarding the **portfolio approach** and **cascade funding** are defined in the original invitation.

16.6 Financial support to third parties established in HE eligible countries and in non-HE eligible countries

The specific requirements regarding **financial support to third parties established in HE eligible countries** and in **non-HE eligible countries** are defined in the original invitation.

16.7 Eligibility of direct and indirect costs

The main requirements regarding the **eligibility of direct and indirect costs** are summarised in the original invitation.

16.8 Eligible costs for equipment, infrastructure, and other assets

The main requirements regarding the **eligible costs of equipment, infrastructure and other assets** are explained in the original invitation.

16.9 Joint and several liability of affiliated entities

The requirements regarding the **joint and several liability of affiliated entities** are defined in the original invitation.

16.10 KIC's control strategy

As stated in the original invitation, and further to the sound management principles laid down in Article 7.1 of the EIT KIC Partnership Agreement, the KIC must have in place effective and reliable financial control and audit mechanisms to ensure that the recipients of financial support above EUR 60 000 are compliant with general and specific cost eligibility provisions of Article 6.

It is advised that the financial control and audit mechanisms include (non-exhaustive):

- a pre-financing policy;

- description of procedures and schedule for obligatory audits and for additional audits;
- procedures for verification of recipients of financial support under exclusion criteria and their financial/operational capacity to implement the subgranted activity;
- policy on avoiding double funding;
- an insurance mechanism to cover the risk associated with non-recovery of sums due by the recipients and/or the possibility to use bank guarantees;
- mandatory Horizon Europe training for recipients of financial support.

Further follow up and monitoring regarding the KIC's control strategies may take place in line with the annual Monitoring Plans of the EIT.

16.11 Publication of Business Plans on the KIC websites

In accordance with the guidelines of the original invitation, Part B of the Business Plans should be published on the KIC websites. Therefore, during the amendment process, the KICs are invited to ensure that confidential pieces of information (e.g. information which constitute business interest, personal data) are not included in Part B and that there is no overlap with Part A.

17.Processing of personal data

The reply to the present invitation involves the recording and processing of personal data (such as name, address and CV). Such data will be processed by the EIT pursuant to Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data[16]. Any personal data requested in accordance with the Call for Business Plans will be processed solely for that purpose by the EIT. The EIT privacy statement for the management of grants is available at: https://eit.europa.eu/data-protection

Personal data may be registered in the Early Detection and Exclusion System by the Commission, should the beneficiary be in one of the situations mentioned in Article 136 and 141 of the Financial Regulation 2018/1046 (for more information see the Privacy Statement on:

https://ec.europa.eu/info/data-protection-public-procurement-procedures_en.

[16] Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC

Annex 1: Key principles and concepts of the EIT KIC model

Besides the EIT Regulation and the EIT Strategic Innovation Agenda 2021-2027, the following reference documents and related working documents shall be applied:

Principle/concept	Reference documents	Link
Financing, monitoring and evaluation of KICs	Decision 14/2021 of the EIT Governing Board on the principles for financing, monitoring and evaluating KIC activities Articles 11-12 of the KIC Partnership Agreement	https://eit.europa.eu/library/2021-1420210507-gbwpprinciples-finmonevalkics-activities-gbdml-eit
Financial sustainability principles	Decision 06/2022 of the EIT Governing Board on the principles on the financial sustainability of KICs	https://eit.europa.eu/library/gb-decision-062022-amendment-principles-financial-sustainability-knowledge-and-innovation
EIT Key Performance Indicators (EIT Impact Framework)	Decision 08/2022 of the EIT Governing Board on the EIT Key Performance Indicators	https://eit.europa.eu/library/gb-decision-082022-amendment-eit-key-performance-indicators-kpis-and-repealing-gb-decision
EIT RIS	EIT RIS Implementation Framework 2021-2027 EIT RIS Hubs Minimum Standards and Guiding Principles	https://eit.europa.eu/our-activities/eit-regional-innovation-scheme https://eit.europa.eu/library/ris-hubs-minimum-standards-and-guiding-principles
Innovation principles	Article 7.4.1 of the KIC Partnership Agreement	https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations

EIT Label Framework	Decision 11/2021 of the EIT Governing Board on the new EIT Label Framework EIT Decision 26/2021 on the adoption of the new EIT Label Handbook for degree programmes EIT Decision 62/2022 on the adoption of the EIT Label Handbook for the EIT Fellowships and the EIT Label Handbook for non-degree education and EIT competence certification model.	https://eit.europa.eu/library/2021-1120210317-gb66-11labelframework https://eit.europa.eu/sites/default/files/eit_label_handbook_degree_programmes_-_final.pdf https://eit.europa.eu/sites/default/files/eit_label_fellowship_handbook.pdf https://eit.europa.eu/sites/default/files/eit_label_nondegree_handbook.pdf
Good governance principles	Article 6.1 of the KIC Partnership Agreement (PA)	https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations
Sound portfolio management principles	Article 7.1 of the KIC Partnership Agreement (PA)	https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations
Openness and transparency	Article 7.2 of the KIC Partnership Agreement (PA) Horizon Europe Model Grant Agreement, Annex 5	https://eit.europa.eu/our-communities/eit-innovation-communities/contractual-relations https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/agr-contr/general-mga_horizon-euratom_en.pdf

Non EIT funded KAVA	Horizon Europe Model Grant Agreement, Annex 5 Decision 06/2022 of the EIT Governing Board on the principles on the financial sustainability of KICs	https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/agr-contr/general-mga_horizon-euratom_en.pdf https://eit.europa.eu/library/gb-decision-062022-amendment-principles-financial-sustainability-knowledge-and-innovation