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European Institute of Innovation & Technology

European Institute of Innovation and Technology (EIT)

Invitation for a 2022-2023 Start-up Plan proposal and estimated budget in the area of Cultural and Creative Sectors and Industries (CCSI)

Version 1.0
28 July 2022

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European Institute of Innovation and Technology (EIT)
Invitation to submit a proposal for 2022-2023 Start-up Plan and estimated budget for the Knowledge and Innovation Community (KIC)
EIT Culture & Creativity

Deadline for the submission of the proposal:
21 September 2022 [17:00 Brussels local time]

1 Introduction and background

1.1 Introduction

This is an invitation to submit a proposal for an EU action grant under the Horizon Europe Programme, European Institute of Innovation and Technology (EIT).

In the 2021-2027 period, the EIT, as part of the Horizon Europe (HE) Framework Programme for Research and Innovation[1], is governed by the EIT Regulation (recast)[2] and the EIT Strategic Innovation Agenda 2021-2027[3].

This invitation lays down the main conditions for the start-up grant for the Knowledge and Innovation Community (KIC) 'EIT Culture & Creativity'. More details on the action, the timeline, the eligible entities, eligible activities, and the evaluation process can be found below.

Therefore, we invite you to read the **call documentation** carefully, and in particular this invitation, the Horizon Europe Model Grant Agreement, the EU Funding & Tenders Portal Online Manual, the Horizon Europe Guidelines and the EU Grants AGA — Annotated Grant Agreement, and the Partnership Agreement.

[1] Regulation (EU) 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) 1290/2013 and (EU) No 1291/2013 (OJ L 170, 12.5.2021, p. 1.)
[2] Regulation (EU) 2021/819 of the European Parliament and of the Council of 20 May 2021 on the European Institute of Innovation and Technology (recast) (OJ L 189, 28.5.2021, p. 61)
[3] Decision (EU) 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 and repealing decision No 1312/2013/EU (OJ L 189, 28.5.2021, p. 91)

1.2 The invitation

In accordance with the conditions laid down in the 2021 Call for Proposals[4], on 22 June 2022 the EIT Governing Board designated the consortium 'Innovation for Creative Economy (ICE)', proposal number 101089436, as the new KIC called 'EIT Culture & Creativity'[5] ('EIT CC' or 'KIC').

Further to the Final EIT Single Programming Document 2022-2024[6], the **EIT may award a start-up grant to EIT Culture & Creativity in order to support the efficient setting up of the new KIC.** The purpose of the grant is to cover activities described in the Start-up Plan grouped in four main blocks – legal readiness, operational readiness, KIC partnership growth and fostering EIT identity — for the efficient setting up of the KIC, as well as other initial KIC activities (if applicable).

The designated consortium shall submit the proposal for their Start-up Plan and the estimated budget in accordance with the conditions laid down in the present invitation. Then, the Start-up Plan will be evaluated according to the criteria defined in this invitation; and as a result, the EIT may conclude a **Start-Up Grant Agreement** (SUGA; see section 12 of this Invitation) with the designated consortium.

A successful completion of the start-up phase is a pre-condition for the signature of the 7-year Partnership Agreement (PA; see section 12 of this invitation) with the EIT. Therefore, if a designated KIC fails in the start-up phase and will not be able to deliver on the elements defined in the Start-up Plan by the end of 2023, the EIT reserves the right to terminate the designation.

2 Topic of the invitation, the objectives, milestones and deliverables of the start-up grant

2.1 Topic of the invitation

This invitation covers the following topic:

Type of Action (ToA)	Topic	Call identifier
Coordination and Support Action (CSA)	2022-2023 Start-up Plan and estimated budget for the Knowledge and Innovation Community (KIC) EIT Culture & Creativity	HORIZON-EIT-2022-KIC-STARTUP

[4] https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/horizon-eit-2021-kic-design-eitcci;callCode=HORIZON-EIT-2021-KIC-DESIGN

[5] Decision 18/2022 of the EIT Governing Board of the European Institute of Innovation and Technology of 22 June 2022 on the designation of the Knowledge and Innovation Community (KIC) in the "Cultural and Creative Sector Industries" thematic area, ref. Ares(2022)4608261

[6] Decision 48/2021 of the EIT Governing Board on the adoption of the Final Single Programming Document (2022-2024) of the EIT, ref. Ares(2021)7938768 – serving as the 2022 financing decision for awarding grants

2.2 The objectives, milestones and deliverables of the start-up grant

The objective of the start-up grant is to contribute to the legal and operational framework of the new KIC during its start-up phase. The start-up activities shall be described in the Start-up Plan, which is the fundamental part of the SUGA. In addition to the main milestones and deliverables, the Start-up Plan has also to address shortcomings and/or weaknesses identified in the KIC proposal (based on the evaluation process by the independent external experts and the EIT Governing Board hearing before the designation decision).

2.2.1 Set-up of the KIC legal and operational framework

As stipulated in Article 7(2) of the EIT Regulation, KICs have a substantial autonomy in defining their internal organisation and composition, as well as their agenda and working methods, provided that they result in progress towards achieving the objectives of the EIT and the KICs, while taking into account the strategic planning of Horizon Europe and the strategic direction of the EIT set out in the EIT Strategic Innovation Agenda 2021-2027 and by the Governing Board. Notwithstanding the principle of autonomy, while designing its legal and operational framework, the KIC should comply with the **good governance, openness and transparency principles** laid down in Articles 6.1 and 7.2 of the Partnership Agreement.

As described in the 2021 Call for KICs, within the framework of the Horizon Europe Regulation, KICs are operating as Institutionalised European Partnerships, and as such must adhere to the principles of Union added value, transparency and openness, and to having impact within and for Europe, strong leverage effect on sufficient scale, long-term commitments of all involved parties, flexibility in implementation, coherence, coordination and complementarity with Union, local, regional, national and, where relevant, international initiatives or other European Partnerships and missions.[7]

As it kicks-off, the start-up consortium must develop and submit to the EIT a proposal of the KIC (corporate) governance model including the KIC Legal Entity (KIC LE) and the Co-location Centres (CLCs). Following the EIT's approval of the proposed model, the KIC shall proceed with setting up the model. To this end, the consortium should establish and register a KIC LE in one of the EU Member States and set up a KIC Supervisory Board, led by an independent chair. In parallel, the consortium should establish and register its Co-location Centres (CLCs).

The core principles to be observed while setting up these structures are governed by the Partnership Agreement and the compliance with these principles are assessed by the EIT following a pre-defined methodology. This methodology will be shared with the consortium at the kick-off meeting. The annotated list of milestones and respective principles to be observed, including deadlines, are further detailed in the List of Milestones, section 2.2.2.

At the start-up phase, the KIC LE and KIC partners must create an effective operational structure ensuring that the KIC management has executive power to implement the KIC Strategic Agenda and KIC Business Plans. The KIC management and supervisory bodies must act in the best interest of the KIC, safeguarding it goals, mission and identity, independently from the particular interests of individual KIC partners.

[7] Horizon Europe Regulation, Annex III, point 2

The EIT Director will award the Partnership Agreement under the condition of successful completion of the start-up phase (based on a positive assessment by the EIT) and the endorsement of the main results of the start-up phase by the EIT Governing Board in Q4 of 2023. The endorsement of the results of the start-up phase by the EIT Governing Board will be mainly based on the achievement of below listed milestones and main deliverables.

2.2.2 Start-up Plan milestones and deliverables

The designated consortium has to set up a KIC and reach the milestones and deliverables requested below in the framework of the Start-up:

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
Objective 1: Legal Readiness			
Proposal for KIC (corporate) governance model including the KIC LE and the CLCs	Detailed proposal on the KIC (corporate) governance model including the KIC LE and the CLCs submitted to the EIT for endorsement	31 December 2022	The proposal should provide details on how the corporate governance model of the KIC will give effect to the Good Governance principles as per Article 6.1 of the Partnership Agreement, with a particular emphasis on the following points: - separate ownership and membership from operational management - separate the supervisory functions from the operations - separate the decisions on activities, on KIC funding schemes and distribution of funding from their implementation - have an effective supervision or ownership over the entities with a CLC role. The governance model should be designed having regard to the overarching principles that the KIC must act in the EU public interest and be financially sustainable. In addition, in view of

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
			the principles of sound portfolio management, the governance model shall ensure avoidance of conflict of interest in case of strategic decisions concerning funding.
Set up of KIC Legal Entity (LE) Set-up of the Co-location Centres (CLC)	Extracts from the registries of the place of establishment (KIC LE and CLCs) Articles of Association / Statutes and bylaws for KIC LE and CLCs	**31 May 2023** (KIC LE to be set up) **31 August 2023** (minimum 3 CLCs to be set-up) **31 December 2023** (all CLCs to be set-up)	KIC LE should establish an effective supervision or ownership over the entities with a CLC role. Preferably, this should be ensured by means of full ownership by the KIC LE, or in case of majority ownership as opposed to full ownership, putting in place additional safeguards / institutional rights. The KIC LE should have rights and/or contracts in place which confer decisive influence on the composition, voting or decisions of the CLC in all strategic KIC matters and obligations foreseen in the EIT legal framework and the PA.
Set up of KIC LE Supervisory Board and selection of Supervisory Board members, including the chairperson	The principle of at least 50% of independent members shall be laid down in the founding acts / bylaws of the KIC LE, as well as a definition of independence including cooling period (strongly	At least 50% of members (including the Chairperson) of the Supervisory Board are selected and appointed by **31 December 2023**	KIC LE should ensure that at least half of the members, ideally more, — including the Chairperson — of the body with supervisory functions are independent from the KIC partners, in particular, they have or had no working or cooperating contracts in place with any entity being part of the consortium/KIC governance and their affiliated entities or third parties foreseen to receive funding from the KIC.

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
	recommended 2 years) should be stipulated therein.		The KIC should separate the supervisory functions from the operations, i.e., no operational role should be taken over by the Supervisory Board of the KIC LE. In the case of strategic decisions concerning funding, attention shall be paid to avoidance of conflict of interest. C-level staff (e.g., CEO/COO/CFO), CLC Directors and Thematic Directors should not be part of the Supervisory Board of the KIC LE. The KIC LE Supervisory Board should reflect diversity, in particular, with regard to gender, geographical and professional background. In practical terms this means that at least 25% of the members should be of a less dominant gender. All sides of the knowledge triangle should be represented adequately, minimum 10% of one side. Representatives from the EIT RIS countries should take at least 20% of seats in the supervisory board. Representatives from one country should not take more than 33% of seats in Supervisory Board.
Ensuring participation of KIC partners in the KIC LE organisation	Final internal agreement template(s) and/or	30 June 2023	The KIC LE must ensure that, within the scope of the KIC Strategic Agenda, KIC partners act in

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
	equivalent document(s) concerning the participation of KIC partners in the KIC LE organisation and their commitment. List of partners participating in the KIC LE, or equivalent:		the best interest of the KIC, safeguarding its goals, mission and identity. As a European Partnership, the KIC shall ensure the commitments, for financial and/or in-kind contributions, from each partner throughout the duration of the initiative. To this end, the agreements with KIC partners should include a clear obligation to comply with the principles laid down in the Partnership Agreement, including the obligation to act in the best interest of the KIC, safeguarding its goals, mission and identity.
	- at least 30 partners	31 August 2023	
	- remaining partners	31 December 2023	
Endorsement of PA by KIC partners	Minutes from the KIC Partner Assembly (or equivalent body) proving the endorsement of the PA by at least 30 KIC partners	31 August 2023	
Development of KIC Strategic Agenda 2024-2027, including the Financial Sustainability strategy	First draft of the KIC Strategic Agenda (PA Annex 1) Final Strategic KIC	31 May 2023 30 November 2023	

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
	Agenda approved by KIC and EIT		
Completion of the KIC's legal and operational arrangements	Provisions of PA transposed in the KIC's legal and operational arrangements, including at CLC level	31 December 2023	All provisions of the Partnership Agreement must be transposed in the KIC's legal and operational arrangements, including the agreements signed by the KIC LE with the KIC partners. The KIC LE must notify the EIT of these arrangements (in particular, by sharing the relevant documents with the EIT), and any substantial modifications of them.
Objective 2: Operational Readiness			
Selection and recruitment of permanent CEO	Recruitment of the permanent CEO Signed employment contract and effective assumption of the CEO duties	30 April 2023 30 June 2023	The recruitment process should be transparent and independent. KIC should separate ownership and membership from operational management, i.e. the CEO should not have a link to KIC partners. The KIC management team should reflect diversity, in particular with regard to gender, geographical and professional background. In practical terms this means that at least 25% of the members should be of a less dominant gender. Representatives from one country

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
			should not take more than 33% of the management.
Selection and recruitment of permanent KIC core staff (CFO, COO, Thematic Directors)	Recruitment of the CFO, COO and Thematic Directors Signed employment contracts and effective assumption of the duties	31 August 2023 31 December 2023	The recruitment process should be transparent and independent. KIC should separate ownership and membership from operational management, i.e. COO/CFO, CLC Directors and Thematic Directors should not have a link to KIC partners. The KIC management team should reflect diversity, in particular with regard to gender, geographical and professional background. In practical terms this means that at least 25% of the members should be of a less dominant gender. Representatives from one country should not take more than 33% of the management.
Selection and recruitment of CLC managers	Recruitment of the CLC managers	31 December 2023	
Set up of operational functions at the KIC LE level	Declaration of readiness of accounting system of KIC LE	30 November 2023	The KIC has set clear priorities, the reporting lines and decision-making authority is clearly defined, operational procedures and quality control procedures are in place.
Development of monitoring and reporting system	Monitoring and reporting system designed and initial implementation started	31 December 2023	KIC has a performance measurement and monitoring framework in place at KIC LE and CLC levels to track the attainment of the KIC Strategic Agenda and Business Plans.

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
			The KIC has set clear priorities, the reporting lines and decision-making authority is clearly defined, operational procedures and quality control procedures are in place.
KIC Business Plan 2024-2025	KIC Business Plan submitted to the EIT	By the deadlines specified in the Invitation for BP	The KIC should ensure a high degree of openness when managing KIC funding schemes, including openness of calls for projects to non-KIC partners.
Development of the KIC's Control Strategy	KIC's Control Strategy	**31 May 2023 (draft version)** **31 December 2023 (final version)**	Sound portfolio management principles as laid down in Article 7.1 PA and the EIT specific provisions in Annex 5 of the Horizon Europe Model Grant Agreement (see section 12 below).
Development of the KIC's IP Policy	IP Policy submitted	**31 December 2023**	
Development of the KIC's Procurement Policy	Procurement Policy submitted and is in line with the EIT Procurement Guidelines	**31 May 2023 (draft version)** **31 December 2023 (final version)**	
Development of the KIC's Gender Mainstreaming Policy	The Policy submitted	**31 December 2023**	

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
Development of Code of Conduct	The Code of Conduct is submitted and is based on the template provided by the EIT	31 December 2023	
Development of Anti-Fraud Strategy	The Anti-Fraud Strategy is submitted	31 December 2023	
Objective 3: KIC partnership growth			
Development of the KIC partnership growth strategy and procedures	KIC partnership growth strategy and associated procedures developed	31 August 2023	The KIC shall be open to new partners by raising awareness among stakeholders and encouraging their participation and remain open during its lifetime. The KIC should develop clear and objective criteria to become a partner, partners' accessing and exiting procedure respecting the principles of equal treatment and non-discrimination. The exiting procedure must include a formal notification (with a specific feedback) to organisations not accepted to enter the KIC. The process must include an assessment stage (added value of potential partner) and a provision to request feedback (from partners leaving the KIC).

Milestones	Main Deliverables	Indicative deadlines	Good governance principles to be observed
			The KIC should reflect diversity in its composition, in particular the balance within the knowledge triangle. All sides of the knowledge triangle in the composition of the KIC partnership should be represented adequately, minimum 10% of one side.
Objective 4: Fostering EIT identity			
Development of the KIC's communication policy contributing to the EIT visibility and identity and considering the EIT Community Brand Book	KIC's communication strategy and plan submitted	31 August 2023	

*All the deliverables which are due before / by 31 August 2023 shall be submitted by the coordinator as part of the Interim Progress Report due by 31 August 2023. They are mandatory elements that the KIC must have in place by 31 August for the assessment of the EIT and for the EIT Governing Board Decision on the start-up phase progress.

2.2.3 Hand-over from the interim management team to the permanent management team

One of the main objectives of the start-up phase is to **select and recruit the permanent KIC staff** (i.e., the KIC CEO and the KIC core staff) and to ensure the **hand-over of the management tasks from the interim management team to permanent management team**.

The intensity and efficiency necessary for the hand-over process between the KIC interim team and the KIC permanent team should not be underestimated; in particular, because the transition to the new team occurs during a crucial period of the start-up phase in which the deadlines laid down in this invitation should be met. The start-up phase coordinator should remain active during all Start-up Plan implementation and support the hand-over process.

To this end, the Start-up Plan should include provisions to ensure the successful hand-over of the tasks:

- The selection and recruitment committee of the KIC and any external support for the recruitment (e.g. an external recruitment agency, if applicable), should be well informed about the particularities of the EIT model and KICs as organisations; a briefing session to the committee is strongly recommended.
- The vacancy notices, their open publication and in particular the criteria for selecting the permanent KIC CEO and the permanent KIC core staff should be well defined with the EIT support, in order to ensure that the permanent staff will have the necessary knowledge and capacity to assure business continuity from the start-up phase coordinator during the start-up period and implementation of the first Business Plan of the KIC.

2.2.4 KIC Strategic Agenda

The start-up consortium will have to develop the **KIC Strategic Agenda (SA) 2024-2027**. This strategic document will serve as the basis and a yardstick for its activities set out in its Business Plans through the years 2024-2027. To this end, the KIC Strategic Agenda should present KIC's vision, mission and strategic objectives, as well as KIC's governance and operation model and expected results and impact to be achieved by 2027. The strategic objectives and targets should be designed according to the SMART methodology and closely reflect the EIT's own strategic objectives as outlined in the EIT Regulation (recast) and the EIT Strategic Agenda 2021-2027, including the proposed objective to strengthen the innovation capacity and entrepreneurship of Higher Education Institutions (HEIs).

As such, the KIC Strategic Agenda is an overarching document and shall cover all KIC activities managed as part of the KIC portfolio and coordinated by the KIC LE and CLCs regardless of the EIT funding.

When preparing the KIC Strategic Agenda, the start-up consortium should consider feedback and recommendations received for the proposal submitted in the 2021 Call for KIC, as well as the conditions, recommendations set by the EIT Governing Board (if applicable).

The draft KIC Strategic Agenda will be reviewed by the EIT and its final version of will be approved by the EIT.

2.2.5 KIC Financial Sustainability Strategy

One of the key features of a KIC is that it must become financially sustainable within a period of 7 to 15 years after its designation. 'Financial sustainability' means a capacity of a KIC to finance its knowledge triangle activities independently from EIT contributions, as stipulated in Article 2(16) of the EIT Regulation (recast). Hence, from the very start a KIC is expected to have a strong business logic and mind-set aiming to build assets and generate revenues from its activities and include mechanisms to ensure their sustainability over time.

In this context, the KIC will have to develop and implement revenue-creating strategies, in order to maintain its innovation ecosystem and the knowledge triangle activities beyond the period in which the EIT provides financial support through grant agreements. To this end, it is also expected that industry, finance and service sectors contribute significantly to the KIC's budget.

The long-term elements of the financial sustainability strategy shall be included in the KIC Strategic Agenda, while the short term (annual, bi- or triannual) tasks shall be included in the KIC Business Plans with relevant targets, indicators and sources of verification that allow to track progress.

More explanations can be found in Decision 06/2022 of the EIT Governing Board on the financial sustainability principles.

2.2.6 Preparation of KIC Business Plan 2024-2025

In April 2023, the EIT will launch the **Invitation for Business Plan 2024-2025** of EIT Culture & Creativity. The invitation, including the Invitation text and the additional guidance will be published on the EU Funding and Tenders portal in due time.

The KIC in its Business Plan 2024-2025 proposal, among others, will describe its activities at portfolio level for two years, its approach of its activities' selection, i.e. KIC calls for projects, in line with the transparency and openness requirements, and it will set out its impacts and KPIs to be achieved. The KIC Business Plan shall be aligned with the KIC Strategic Agenda and the framework of the EIT Strategic Agenda 2021-2027.

The deadline for submission of the Business Plan 2024-2025 will be in September 2023. The proposed Business Plan will then be subject to evaluation by external experts and the EIT and, followed by a hearing in November/December 2023 with the EIT Governing Board, the financial allocation decision will be adopted by the Governing Board.

The exact opening and submission dates of the KIC Business Plan proposal will be communicated in due time. The start of implementation of the Business Plan 2024-2025 will be 1 January 2024.

2.2.6.1 Portfolio and cascade funding model

Taking into account that the KIC will enter into multi-annual grant agreements with the EIT, the two main characteristics of the future Business Plans are the description of the activities at portfolio level and the cascaded funding model.

Portfolio approach:

The information in the future Business Plans will be provided at portfolio level providing an overview of all activities to be implemented, including budgets and impact targets measured through key performance indicators, whilst specific details about each project will be collected regularly during implementation in line with a pre-defined data set.

The portfolio description will also indicate 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, avoidance of conflict of interests etc.). An essential component of this approach is reinforced monitoring relying on the data delivered by all the KICs' IT tools to ensure that the necessary information is collected for business intelligence and assurance purposes.

Cascade funding model:

Cascade funding model, called as Financial Support to Third Parties (FSTP) under the EU Financial Regulation[8] also known and "sub-granting", is a commonly used mechanism to implement activities under EU funding. It means that the implementation of the portfolio of activities is cascaded by the beneficiary to further recipients of the EU grant via calls. In 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.

Translating the model into the EIT context, the beneficiary of the future grant agreements will be only the KIC LE (acting such as a 'consortium leader' in other programmes) and/or CLCs (acceding to the grant agreement as beneficiaries or affiliated entities), while KIC partners will be recipients of FSTP and are not acceding directly to the grant agreement.

Nevertheless, KIC partners will participate in the implementation of the KIC Business Plan, and they will contribute to delivery of the impact as well as financial sustainability of the KIC. Sub-grants must be awarded based on clear and transparent criteria that are to be spelled out in the KIC Business Plan.

2.2.6.2 KIC Control Strategy

Similar to all the other KICs, the new KIC must have an effective and reliable Control Strategy in place, in line with the provisions of Annex 5 of the HE Model Grant Agreement. The KIC's Control Strategy shall be developed during the start-up phase to be ready for the implementation by the first Business Plan. Further guidance will be provided by the EIT.

2.2.6.3 Data model and IT tools

CORDA data management tool:

As of the grant cycle starting in 2023, the EIT and KICs use the eGrants IT system (Funding & Tenders Portal) for the purpose of grant management, therefore Business Plan submission, grant agreement

[8] Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012

signature and reporting will be managed via this tool. The new data model will require each KIC to provide data directly through the eGrants platform following the portfolio approach.

Additionally, throughout the implementation KICs will need to collect and provide data at project and partner levels directly to CORDA tool. CORDA is the European Union's data warehouse, and data from CORDA feeds the Portal (also known as the Horizon Dashboard) that is accessible publicly through any web browser.

The EIT will use CORDA to store data on business plan and project implementation. By using CORDA, the EIT will ensure it meets the standards of Horizon Europe with respect to transparency and openness.

KIC IT tools:

Alongside the data model described above, each KIC has IT tools to support preparation and implementation of its activities and budgets. Establishment of shared IT services for KICs to support the data requirements of the European Commission tools is in process. The newly established KIC will be invited to join the shared IT services.

Furthermore, the IT tools on KICs' side will need to provide the EIT a sufficient level of access allowing to consult data stored by the KICs as part of the continuous monitoring function. The purpose of this access to each KIC IT tool is to provide means for the EIT to continuously review, monitor and validate data, to ensure the data submission to CORDA.

2.2.7 KIC IP policy

The designated consortium shall prepare and adopt the KIC IP policy during the start-up year. The IP policy shall comply with the relevant rules laid down in the HE Model Grant Agreement (see Article 16 and Annex 5 thereof).

2.2.8 KIC Procurement policy

During the start-up phase, the consortium will have to develop and adopt its procurement policy, based on the EIT Procurement Guidelines (which will be shared with the consortium in late 2022). The procurement policy will have to be applied by the KIC LE and CLCs.

In accordance with Article 6.1(c) of the PA, the KIC LE and CLCs must have a Procurement Policy in place to ensure compliance with the substantive requirements of EU public procurement law, in particular with the main principles of transparency, equal treatment, non-discrimination and competition.

The KIC procurement policy should be published on the KIC's website.

2.2.9 KIC Gender Mainstreaming Policy

One of the milestones to be reached by the end of 2023, is the development of the KIC Gender Mainstreaming Policy. The Policy is a strategic view with a longer-term outlook aimed at achieving gender equality in the KIC. The aim of the Gender Mainstreaming Policy is to outline the KIC's general goals,

objectives and approach, as well as the organisational arrangements that will be made for implementation of the policy.

The EIT will provide guidelines/template.

2.2.10 KIC Code of Conduct

The start-up consortium must adopt the KIC Code of Conduct based on the model provided by the EIT which includes policies on conflict of interests, ethical values and integrity.

The Code of Conduct will have to be applied by the KIC, including the LE and CLCs.

In line with the PA, this document must be published on the KIC's website.

2.2.11 Anti-Fraud Strategy

In order to reinforce the highest standards of integrity and to reduce the risk of fraud, the start-up consortium must develop an Anti-fraud Strategy, followed up by an action plan. The Anti-fraud Strategy must be reviewed every two years.

The EIT will provide guidelines/template. The Anti-Fraud Strategy should be published on the KIC's website.

2.2.12 KIC partnership growth

From the very start, the newly designated KIC should put appropriate measures in place to ensure long term partnership growth. According to the EIT Strategic Innovation Agenda 2021-2027, the KICs should remain open to new partners throughout its lifetime by adopting and applying transparent, clear and consistent accession and exit criteria for new partners that add value to its partnership.

The KIC shall run its activities in a fully transparent way, including through open calls for identifying and selecting projects, other activities and partners. The KIC shall remain an open and dynamic partnership to new partners across the Union, including SMEs and start-ups that add value to the partnership. The new partners should be able to join the KIC on the basis of excellence and innovation relevance. To this end, the KIC should create inclusive and transparent procedures for funding decisions in order to avoid funding concentration in a limited number of countries and a limited number of KIC partners. Hence, the KIC's Strategic Agenda and partnership growth strategy and measures must address the expansion of the partnership, including the establishment of the new CLCs.

As part of the start-up phase, the consortium has to develop its approach towards partnership growth and design clear and objective partnership criteria and entry – exit procedures, as well as redress procedure for rejected applications. In line with the PA, this document must be published on the KIC's website.

2.2.13 KIC Communication policy

The development of the KIC's Communication policy (i.e. communication strategy and plan) contributing to the EIT visibility and identity is one of the key deliverables of the start-up phase. The policy shall comply with Article 8 of the PA, Article 16 and Annex 5 of the HE Model Grant Agreement and the EIT Community Brand Book.

2.2.14 Monitoring and reporting under the SUGA

The EIT will monitor the implementation of the tasks based on the objectives, deliverables and milestones defined above. It is essential that during the formal start-up period the new KIC adhere to these main deliverables and indicated deadlines.

An **EIT Monitoring Plan for the year 2023** will be designed by the EIT, which will include a number of monitoring actions regarding EIT Culture & Creativity (i.e. setting up of the KIC's governance model and good governance; selection of the KIC's key managerial positions; selection of projects for the Grant Agreement 2024-25 funding; successful structuring of the KIC's operations).

The coordinator will be asked to provide brief **Monthly Progress Reports** to the EIT (the template will be provided by the EIT following the signature of the SUGA) to track the progress towards achievement of the milestones and flag any issues, risks and delays encountered.

The coordinator will also provide an **Interim Progress Report** to the EIT by **31 August 2023**. After the Interim Progress Report and main deliverables are submitted by the coordinator, the EIT will assess the KIC's progress in the implementation of the Start-up Plan.

The coordinator shall submit the **Final Report** to the EIT within 60 days after the end of the SUGA (i.e., by **28 February 2024**). Further information on the Final Report can be found in section 13.

Reports shall be submitted in English to the EIT.

3 Available budget

The total budget earmarked for the co-financing of the start-up activities is **maximum EUR 6 million.**

4 Timetable and deadlines

The indicative timeline of the submission and evaluation procedure, award and grant implementation is the following:

Key dates	Date and time or indicative period
Designation of the KIC	22 June 2022
Launch of 2022 Call for Start-up Plan proposals	28 July 2022
Session for the preparation of the Start-up Plan	July 2022

Deadline for the submission of the Start-up Plan proposals	**21 September 2022**
Eligibility and completeness check	22-23 September 2022
Assessment of Start-up Plan	26 September - 21 October 2022
KIC launch workshop at the EIT in Budapest (and final clarifications on the Start-up Plan proposals)	October
Award decision by EIT Director (i.e. approval of the Start-up Plan and estimated budget and award of the grant)	**November 2022**
Signature of KIC Start-Up Grant Agreement: with a start date for eligibility of costs as of date of submission of the Start-up Plan	**by December 2022**
Submission of SUGA Interim Progress Report	**31 August 2023**
Interim assessment of SUGA Interim Progress Report completed by EIT	30 October 2023
Endorsement by the EIT Governing Board of the results of the start-up phase	Before 15 December 2023
Start of implementation of the Business Plan 2024-2025	**1 January 2024**
Signature of Partnership Agreement	**December 2023 / January 2024**
Submission of SUGA Final Report	**28 February 2024**

5 Admissibility

The proposal must be submitted no later than **21 September 2022**.

The proposal must be submitted electronically via the Portal.

The submission shall comply with the present Invitation text and annexes, and the templates and standards available on the Portal. Failure to comply with this requirement may lead to the rejection of the proposal.

The proposal must be drafted in English.

6 Exclusion criteria

Entities shall be excluded from participation in the Invitation and from award if they are in one of the situations referred to in Article 136(1) and 141 of the EU Financial Regulation.

Beneficiaries and affiliated entities must provide a Declaration on their honour certifying that they are not in one of the situations referred to in Article 136(1):

- All members of the designated consortium have submitted their Declarations on honour when submitting their proposal within the frame of the 2021 KIC Call, for them no new submission is required.
- Any new entity proposed as beneficiary or affiliated entity for the start-up consortium for the start-up year shall submit a Declaration on honour.
- All beneficiaries and affiliated entities of the start-up consortium will be checked in the Early Detection and Exclusion System (EDES) of the European Commission.
- Before the time of the signature of the SUGA, the EIT will request appropriate evidence that the start-up coordinator is not in one of the exclusion situations referred to in Article 136(1) of the EU Financial Regulation: e.g. a recent extract from the judicial record for the legal representative of the coordinator and recent certificates issued by the competent authority/ies of the country of establishment of the coordinator (e.g. certificate from the registry in which the coordinator is registered, tax certificate, social security certificate). This obligation can be waived only in the cases indicated in Article 137(4) of the EU Financial Regulation.

7 Eligibility

7.1 Entities eligible for funding

As a general rule, in accordance with the Horizon Europe Work Programme 2021-2022[9], in order to be eligible for funding, the applicant entities participating in the implementation of the start-up grant must be established in one of the eligible countries, i.e.:

- the Member States (MS) of the European Union (EU) including their outermost regions
- the Overseas Countries and Territories (OCTs) linked to the Member States[10]
- eligible non-EU countries:
  - Countries associated to Horizon Europe[11]
  - Certain low- and middle-income countries[12]

Legal entities, which are established in countries not listed above can be eligible for funding when their participation is considered by the EIT essential for implementing the action (i.e. start-up activities).

[9] https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/reference-documents

[10] Entities from Overseas Countries and Territories (OCT) are eligible for funding under the same conditions as entities from the Member States to which the OCT in question is linked. See the Horizon Europe Programme Guide on the portal for a complete list of OCTs.

[11] Most third countries associated to Horizon 2020 have already been associated to Horizon Europe. In addition, other third countries can also become associated to Horizon Europe during the programme. Please see the Horizon Europe Programme Guide on the Funding and Tenders Portal for up-to-date information on the current list of and the position for Associated Countries.

[12] See the Horizon Europe Programme Guide on the Portal for a complete list of these countries.

Specifically, in line with Article 195 of the EU Financial Regulation[13], grants may be awarded without a call for proposals to bodies with de jure or de facto monopoly. As the winning consortium ICE (reference number 101089436), was designated by the EIT Governing Board, the de jure and de facto monopoly situation is justified by the fact that only this consortium can be invited to implement the start-up activities.

Therefore, only the winning consortium may submit an eligible proposal for this invitation:

- The coordinator of the winning consortium will be the coordinator of the start-up year.
- Unless well justified and agreed with the EIT, the **composition of 2021 KIC Call Proposal applicants shall correspond to composition of SUGA beneficiaries and affiliated entities, as well as the KIC Partners participating the newly established KIC LE** at the time of the PA signature. As such, the start-up consortium shall not substantially deviate from the 2021 KIC Call proposal consortium.
- The coordinator shall regularly inform the EIT about the partnership development within the duration of the start-up year.

7.2 Eligible activities

The eligible activities shall be the start-up activities determined in section 2 above.

8 Financial and operational capacity

The operational capacity of the designation consortium has already been completed in the frame of the 2021 Call for KIC.

The financial capacity of the designated consortium will be assessed in line with the Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment.

9 Award criteria

In accordance with Annex XI, Part B of the 2022-2024 EIT Single Programming Decision, the start-up grant to the new designated KIC will be determined based on the assessment of the Start-up Plan and estimated budget.

Start-up Plan proposal and the estimated budget will be assessed on the basis of the following criteria:

Criteria	Maximum points: 100

[13] Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.06.2018, p. 1)

1. Excellence	- Adequateness and completeness of the proposed Start-up Plan, i.e. it covers the entire scope of start-up activities as presented in the List of Milestones, section 2.2.2. - Clarity and pertinence of the Start-up Plan's objectives. - Quality and soundness of the proposed implementation methodology, start-up team and allocation of roles and responsibilities. - The proposed Start-up Plan (including the proposed estimated budget) ensures good value for money.	40
2. Impact	- The proposed Start-up Plan is realistic and ensures that the objectives of the start-up grant are achievable. - If the consortium proposes additional activities, their rationale and added value to the KIC's Start-up phase.	20
3. Quality and efficiency of the implementation	- 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.	40

10 Submission of proposal

The proposal must be submitted electronically using the electronic submission system of the Portal of the European Commission:

Funding & Tenders portal

The proposal must be created and submitted by a representative/contact person of the coordinator.

The electronic submission system is an online wizard that guides the applicant step-by-step through the preparation of the proposal. The proposal itself consists of two main parts as structured the Proposal Template:

PART A) administrative forms (structured information of the basic administrative data, declarations of partners, organisations and contact persons, etc.)

PART B) technical annex, which is the detailed description of the Start-up Plan and the estimated budget:

1) **Start-up Plan:** the Start-up Plan proposal shall set out the main activities for a rapid start of the KIC and should be developed by using the application form (which will be Annex 1 of the SUGA).

The Start-up Plan proposal shall include all the mandatory activities and deliverables for the legal readiness, operational readiness, partnership growth and fostering EIT identity objectives, as per the List of Milestones. The Plan may include additional activities, for example the development of first innovation, education and business creation activities in 2022 and 2023. Participation during the start-up phase in the activities of the Higher Education Initiative (HEI) and/or in Cross-KIC activities with other KICs, including participation in shared service activities (e.g. use of common IT tools, EIT House in Brussels) is also optional[14].
2) The proposal shall include an **estimated budget**, it shall be prepared by using the application form (which will be Annex 2 of the SUGA) for the start-up period, including a breakdown of costs **per each beneficiary** and **each affiliated entity**[15]. The budget must be drawn up in euros.

More information on how to participate in Horizon Europe proposals is available here: https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/how-to-participate/1

At proposal submission, you will have to confirm that you have the **mandate to act** for all applicants. Moreover, you will have to confirm that the information in the application is correct and complete and that the participants comply with the conditions for receiving EU funding (especially eligibility, exclusion, financial and operational capacity, etc). Before signing the grant agreement, each beneficiary and affiliated entity will have to confirm this again by signing a Declaration of Honour. Proposals without full support will be rejected.

Your application must be **readable, accessible and printable**.

Proposal is limited to a maximum of **35 pages** (Part B). All tables, figures, references and any other element pertaining to these sections must be included as an integral part of these sections and are thus counted against this page limit. The number of pages included in each section of this template is only indicative. The page limit will be applied automatically.

11 Evaluation

The Start-up Plan proposal will be assessed by independent expert(s) selected by the EIT and by the EIT Evaluation Committee in accordance with the criteria stated above.

[14] Participation in these activities must be formalised by the accession of the start-up coordinator or later of the newly established KIC LE to the 2023-2025 Grant Agreement on HEI and to the relevant 2023-2025 Grant Agreement(s) on Cross-KIC activities.
[15] For the definition of affiliated entities, see section 13.

Should there be a need to clarify some elements of the proposed Start-up Plan or the estimated budget, the EIT will contact the start-up coordinator, representing the applicant consortium.

12 Award decision – Grant Agreement signature

12.1 Award decision

The EIT Director, as responsible authorising officer will decide on the award of the start-up grant.

The applicant consortium will be informed about the result of the evaluation process.

12.2 Start-up Grant Agreement (SUGA)

The action will be implemented through the Start-up Grant Agreement to be signed with the consortium.

The SUGA is inbuilt in the eGrants tool and will be signed within the tool (not on paper). It follows the Horizon Europe legal framework and the HE Model Grant Agreement for coordination and support actions (CSA), published on the Funding and Tenders portal.

Any amendment to it should also be managed in eGrants.

The SUGA is composed of:

- Data sheet: laying down all the specific details about the action, including the name of the action, the list of participants, duration and starting date, the grant, the reporting requirements, payments, certificates on financial statements, and other details
- Terms and Conditions
- Annex 1 Start-up Plan: description of the action
- Annex 2 Estimated budget for the action
- Annex 2a Additional information on unit costs and contributions (if applicable)
- Annex 3 Accession Forms
- Annex 3a Declaration on joint and several liability of affiliated entities (if applicable)
- Annex 4 Model for the financial statements
- Annex 5 Specific rules

In accordance with Article 40 of the SUGA:

- **Accession of the beneficiaries mentioned in the Preamble of the SUGA:**
  The beneficiaries which are not coordinator must accede to the grant by signing the accession form (see Annex 3 of the SUGA) directly in the Portal Grant Preparation tool, within **30 days after the entry into force of the Agreement**. They will assume the rights and obligations under the Agreement with effect from the date of its entry into force. If a beneficiary does not accede to the grant within the above deadline, the coordinator must — within 30 days — request an amendment to terminate the beneficiary and make any changes necessary to ensure proper implementation of the action.

- **Addition of new beneficiaries:**

In justified cases, the beneficiaries may request the addition of a new beneficiary. For this purpose, the coordinator must submit a request for amendment in accordance with Article 39 of the SUGA. It must include an accession form (see Annex 3 of the SUGA) signed by the new beneficiary directly in the Portal Amendment tool. New beneficiaries will assume the rights and obligations under the Agreement with effect from the date of their accession specified in the accession form.

12.3 Partnership Agreement (PA)

In case of appropriate implementation of the Start-up Plan and the endorsement by the EIT Governing Board of the successful start-up period in late 2023, the seven-year Partnership Agreement (PA) may be signed between the EIT and the newly established KIC. The PA lays down the main principles of the KIC model. The Strategic Agenda of the KIC will be annexed to the PA.

12.4 Grant Agreement 2024-2025, HEI Grant Agreement and Cross-KIC Grant Agreements

Following the signature of the PA, and upon condition of the approval of the KIC Business Plan 2024-2025, Grant Agreement (GA) 2024-2025 will be signed in early 2024. The GA will also follow the HE Model Grant Agreement published on the Funding and Tenders Portal.

Additionally, as of 2024 the KIC will participate in the Higher Education Initiative (HEI) activities and will have the possibility to participate in Cross-KIC activities, which are subject to separate grant agreements[16].

13 Financial provisions

The eligible and ineligible costs and contributions (Article 6 of the SUGA), the form of grant (Article 5.1 of the SUGA), the maximum grant amount (Article 5.2 of the SUGA), the funding rate (Article 5.3 of the SUGA), the reporting (Article 21 of the SUGA) and the payment arrangements (Article 22.1 of the SUGA) together with other financial conditions are described in the Horizon Europe Model Grant Agreement.

Eligible costs (Article 6 of the SUGA):

The **first date of eligibility** starts on the day of submission of the Start-up Plan.

The start-up grant may cover up to a maximum of **100% of the eligible costs** of activities set out in the Start-up Plan. Nevertheless, beneficiaries may consider the use of other sources of funding to finance start-up activities.

[16] Participation in these activities **in the start-up period** is optional and must be formalised by the accession of the start-up coordinator or later of the newly established KIC LE to the 2023-2025 Grant Agreement on HEI and to the relevant 2023-2025 Grant Agreement(s) on Cross-KIC activities.

Eligibility of costs shall be based on the applicable eligibility conditions for Horizon Europe, as indicated in the SUGA. Subject to the conditions defined in the SUGA, eligible costs may include the following cost categories:

- direct personnel costs, such as the costs of employees (or equivalent), the costs for natural persons working under a direct contract with the beneficiary other than an employment contract, the costs of personnel seconded by a third party against payment, the costs of SME owners working on the action, as well as the costs of beneficiaries that are natural persons;
- direct costs of subcontracting necessary to implement the action and complying with the rules for subcontracting action tasks as provided in the SUGA;
- purchase costs, such as travel and related subsistence allowances, the costs of equipment, infrastructure and other assets, the costs of renting and leasing and the costs of other goods and services;
- other direct costs, such as financial support to third parties in the form of grants and prizes and internally invoiced goods and services;
- indirect costs declared on the basis of the flat-rate of 25% of the eligible direct personnel costs and purchase costs (travel, equipment, other goods, works and services).

Costs incurred by affiliated entities are eligible if they fulfil the general and specific eligibility conditions set out in the relevant articles of the SUGA.

Eligible costs for equipment, infrastructure and other assets

Normally, only SUGA related depreciation costs of equipment, infrastructure or other assets (new or second-hand) as recorded in the beneficiary's accounts are eligible.

Ineligible costs (Article 6.3 of the SUGA) are:

- costs that do not comply with the conditions set out in Article 6.1 and 6.2 of the SUGA (e.g. costs related to return on capital and dividends paid by a beneficiary, debt and debt service charges, bank costs, excessive or reckless expenditure, deductible or refundable VAT);
- costs declared under another EU or Euratom grant;
- costs or contributions for staff of a national (or regional/local) administration, for activities that are part of the administration's normal activities (i.e. not undertaken only because of the grant);
- costs or contributions (especially travel and subsistence) for staff or representatives of EU institutions, bodies or agencies;
- other:
  - (i) costs or contributions for activities that do not take place in the eligible countries or target countries set out in the present invitation — unless approved by the granting authority;
  - (ii) costs or contributions declared specifically ineligible in the conditions of the present invitation.

For further information please refer to Article 6.3 of the SUGA.

Subcontracting (Article 6.2.B and Article 9.3 of the SUGA): If necessary to implement the action, the beneficiaries may award subcontracts covering the implementation of certain action tasks. Subcontracting costs for the action (including related duties, taxes and charges, such as non-deductible

or non-refundable value added tax (VAT)) are eligible, if they are calculated on the basis of the costs actually incurred, fulfil the general eligibility conditions and are awarded using the beneficiary's usual purchasing practices — provided these ensure subcontracts with best value for money (or if appropriate the lowest price) and that there is no conflict of interests.

Beneficiaries that are 'contracting authorities' within the meaning of Directive 2004/18/EC[17] (or 2014/24/EU[18]) or contracting entities' within the meaning of Directive 2004/17/EC[19] (or 2014/25/EU[20]) must comply with the applicable national law on public procurement.

Subcontracting may cover only a limited part of the action.

The tasks to be subcontracted and the estimated cost for each subcontract must be set out in the Start-up Plan (Annex 1 of the SUGA) and the total estimated costs of subcontracting per beneficiary must be set out in the estimated budget (Annex 2 of the SUGA, or may be approved ex post in the final report, if the use of subcontracting does not entail changes to the SUGA which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants; 'simplified approval procedure').

During the start-up year, the consortium shall develop the KIC's Procurement Policy (see section 2.2.8).

Financial support to third parties (Article 9 of the SUGA):

Financial support to third parties involves funding provided by a beneficiary to a recipient that is not a party to the grant agreement. Financial support to third parties includes sub-grants (financial support to third parties, Article 6.2.D.1 (a) of the SUGA); and financial support in the form of prizes (Article 6.2.D.1 (b) of the SUGA).

As a general rule, financial support can be awarded to entities established in HE eligible countries (see Chapter 7.) and should not exceed **EUR 60,000** per recipient under the SUGA.

If the recipient of financial support is established in a third country not eligible under HE:

- in case of recipients of financial support **above EUR 60,000**: if the entity is not eligible for funding under a national scheme, they may receive EIT funding on an exceptional basis agreed with the EIT, if the participation of the entity established in the third country is deemed essential for the action;

[17] Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts (OJ L 134, 30.4.2004, p. 114)

[18] Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65)

[19] Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (OJ L 134, 30.4.2004, p. 1)

[20] Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243)

- in case of recipients of financial support **below EUR 60,000**: the financial support to third parties may be awarded, if duly justified.

Affiliated entities (Article 8 of the SUGA):

'Affiliated entities' included in the Data Sheet and Article 8 of the SUGA may implement the action tasks attributed to them in the Start-up Plan. The affiliated entity may declare the costs they incur for implementing the action tasks as eligible.

As a rule, declarations on joint and several liability will be requested by EIT if the budget of the affiliated entity is higher than the budget of the beneficiary, with the following exceptions:

a. If the total budget of the affiliated entity is lower than EUR 100,000;

b. If the affiliated entity is a public body.

The Declaration on joint and several liability (see Annex 3a of the SUGA) will be requested from the affiliated entities which fall into the above situation. Non-submission of the declaration may result in rejection of the costs for the affiliated entity concerned.

Reporting and payment arrangements (Articles 21 and 22.1 of the SUGA):

The start-up phase coordinator may request the following payments, provided that the conditions of the SUGA are fulfilled (e.g. payment deadlines, ceilings, etc.):

- **Pre-financing payment** (up to 70% of the total amount): the payment will be made within 30 days following the signature of the SUGA.

  5% as a contribution to the Mutual Insurance Mechanism will be retained from the prefinancing payment.

- **Final Report and final payment:**

  - Within 90 days following the end of the reporting period, the **Final Report** will have to be submitted to the EIT.

    The final report shall include a technical and financial part.

    The technical final report shall include an overview of the action implementation summarizing the results and the conclusions on the action.

    The financial part of the final report shall include:

    - the financial statements (individual and consolidated; for all beneficiaries/affiliated entities)

    - the explanation on the use of resources

- the certificates on the financial statements (CFS) for each beneficiary and for each affiliated entity, if it requests a total EIT contribution of EUR 430,000 or more.

- The final payment will be made within 90 days from receiving the Final Report. The EIT will establish the amount of the final payment in line with Article 22.3.4 of the SUGA.

No interim payment will be made.

The Monthly Progress Reports and the Interim Progress Report are not linked to any payment.

14 Publicity

14.1 By the beneficiaries

In line with Article 17.1 of the SUGA, unless otherwise agreed with the EIT, the beneficiaries must promote the action and its results by providing targeted information to multiple audiences (including the media and the public), in accordance with the Start-up Plan and in a strategic, coherent and effective manner. (This does not change the confidentiality obligations in Article 13 of the SUGA which still apply.)

Unless otherwise agreed with the EIT, communication activities of the beneficiaries related to the action (including media relations, conferences, seminars, information material, such as brochures, leaflets, posters, presentations, etc., in electronic form, via traditional or social media, etc.), dissemination activities and any infrastructure, equipment, vehicles, supplies or major result funded by the grant must

(a) acknowledge EU support and display the European flag (emblem) and funding statement (translated into local languages, where appropriate).
(b) display the EIT KIC logo as adopted by the EIT;
(c) follow the brand guidelines outlined in the EIT Community Brand Book as adopted by the EIT.

For further information, please refer to Article 8 of the PA and Article 17 of the SUGA.

14.2 By the EIT

In accordance with Article 38 of the EU Financial Regulation, the EIT shall make available, in an appropriate and timely manner, information on recipients of funds financed from the budget.

The following information shall be published (with the exceptions listed in Article 38(3) of the new Financial Regulation), having due regard for the requirements for confidentiality and security, in particular the protection of personal data:

(a) the name of the recipient;
(b) the locality of the recipient (i.e. the address of the recipient when the recipient is a legal person);
(c) the amount legally committed;
(d) the nature and the purpose of the measure.

15 Processing of personal data

The reply to the present Invitation involves the recording and processing of personal data (such as name, address). 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[21]. Any personal data requested in accordance with the Invitation for the Start-up Plan and estimated budget 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/who-we-are/legal-framework/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 EU Financial Regulation (for more information see the privacy statement on: https://ec.europa.eu/info/data-protection-public-procurement-procedures_en).

[21] 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

List of Reference Documents (hyperlinked)

1. Horizon Europe (HE) Framework Programme for Research and Innovation
2. EU Financial Regulation
3. EIT Regulation (recast)
4. EIT Strategic Innovation Agenda 2021-2027
5. Partnership Agreement
6. Horizon Europe Model Grant Agreement (HE MGA) – to be used as SUGA
7. Governing Board Decision 6/2022 on the financial sustainability principles
8. EIT Governing Board Decision 14/2021 on the principles for financing, monitoring and evaluating KIC activities
9. EIT Impact Framework 2021-2027
10. EIT Monitoring and Evaluation Strategy 2021-2027
11. EIT Label Framework
12. EIT Regional Innovation Scheme Implementation Framework 2022-2027
13. EIT Community Brand Book

Electronically signed on 28/06/2022 18:53 (UTC+02) in accordance with Article 11 of Commission Decision (EU) 2021/2121