

EIT Triennial Work Programme 2013-2015

From Set-up to Consolidation and Growth

European Institute of Innovation and Technology (EIT)
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0) Introduction

Since its inception, the European Institute of Innovation and Technology (EIT) has been demonstrating the added value of its concept and activities in shaping a new innovation agenda at EU level. In the space of two years, the Institute was able to successfully launch a call for Knowledge and Innovation Communities (KICs) which led to the selection of the first three KICs, now up and running and producing their first visible results. In order to meet the tight deadlines outlined in its founding Regulation, a learning-by-doing and 'can do' approaches were applied.

As a result, the EIT has been able to identify and take on board the lessons learnt from this its establishment phase in shaping its future. To this end, the Institute has progressively put in place the policies, mechanisms and measures needed to ensure it is best prepared to bridge the gap between the current financial perspective (covering the period of 2007-2013) and the future Multi Annual Financial Framework (MFF) (2014-2020). The EIT's Strategic Innovation Agenda (SIA) presented by the European Commission on 30 November 2011 proposes six additional KICs by 2018 and a budget increase from € 308 million to € 3.1 billion for the next MFF.

A final decision on the legislative package is expected during the course of 2013. As a result, this rolling Triennial Work Programme (TWP) for 2013-2015 outlines the priorities and activities planned by the EIT on the basis of currently available input, i.e. the proposals for the EIT's first SIA, the amended EIT regulation and the package for the *Framework Programme for Research and Innovation - Horizon 2020*. Being an integral part of Horizon 2020 as of 2014, the EIT's activities will blend into and consistently contribute to Horizon 2020's overall policy objectives. Already to date, the current three KICs complement existing EU policies and initiatives in their respective thematic area of climate change mitigation and adaptation, next generation ICT, and sustainable energy. To this end, the TWP becomes a road map for the next three years of how the EIT plans to implement its innovation agenda across Europe by consolidating and scaling up its operations with current and future KICs as well as deploying in full its role as an innovation Institute to the benefit of Europe at large.

The scaled up EIT will be characterised by mature operations and a larger portfolio of KICs consistent with its ambition as a role model within the EU innovation landscape. Consequently, the EIT's strategic objectives for this period are to consolidate and synergise its operations and to prepare for achieving the priorities set out in the Strategic Innovation Agenda (2014-2020): firstly, by incentivising growth, impact and sustainability by continuing to strengthen its partnership with the three existing KICs whilst creating new KICs; secondly, by enhancing the EIT's impact by fostering entrepreneurship-driven innovation across the European Union through wide dissemination of novel innovation models attracting and developing talent from across Europe; and thirdly, by introducing new means of achieving impact, alongside results-oriented monitoring.

1) Consolidation of the Current KICs

Building upon early achievements, innovative EIT/KIC governance settings and initial operations by the first three KICs from 2009 to 2012, the EIT expects the KICs to further mature during the 2013-2015 period by fostering efficiency as well as expanding their activities and budgets, both in scale and scope. As KICs are run as businesses, their growth strategies combine both widening (through targeted partner attraction policies) and deepening their respective commitments (focusing on business partners in particular) as well as alignment of national and EU competitive funding support accessed by the KICs partners. Thus, creating the right environment for the KICs to leverage in the longer run new forms of financing (including institutional and private operators).

The EIT will accompany such maturing and growth paths through a combination of support and demand for results whilst offering facilitating services to the KICs, providing added value through strategic Cross-KICs Agenda activities (i.e. education, entrepreneurship, and innovation) and encouraging the exchange of effective and simplified operational practices based on lessons learnt during the early years. The strategies and derived activities below indicate how the EIT and the KICs will address opportunities and challenges in bridging the gap between the current financing period (until 2013) and the future one (2014-2020).

1.1 KIC Strategies for Growth

In preparing for their next growth phase, the KICs plan to apply dynamic “life-cycle” approaches from and including the phases of “setting up”, “developing”, “reaching cruising altitude”, and to “achieving sustainability”. Starting in 2012 and planned to increase over the 2013-2015 period, the current three KICs are expected to scale up their current initiatives and add new activities to their portfolios while at the same time broadening their partnerships and geographical bases, and exploring new sources and instruments of funding to develop their value propositions to the benefit of future ventures in particular. Whilst deepening and widening their respective growth strategies, the principle of excellence will always prevail. The KICs’ funding mechanism is based on key performance indicators and competitive reviews at both KIC and EIT levels which have been conceived to avoid a pure quantitative growth of the KICs when this is not justified and to accompany them to maturity and diversification phases according to quality criteria.

The KIC concept, which in itself is unique by not only producing innovation but also shaping new innovation models through the collaborative interaction across sectors, disciplines, and borders and the ensuing co-creation of knowledge dynamics, is continuously evolving. Moreover, as a true European Institute, it is the EIT’s role to leverage research on innovation models emerging from the running KICs and to disseminate those widely to policy makers and innovation programme owners at all level of governance (regional, national, European). It has become obvious that there is no “one-size-fits-all” KIC model, and this should remain unchanged since it is indeed a “trademark” of the innovation agenda fostered by the EIT through its KICs. As knowledge and innovation dynamics differ from one community to another, KICs themselves become innovation policy laboratories in their own right.

Whilst KICs may differ in their thematic visions and in the way in which they implement key KIC-features (such as co-location centres, CEO leadership etc.), all KICs pursue the same overall objectives of bridging Europe’s innovation gap and enhancing its innovation capacity and impact through the integration of the knowledge triangle. Indeed, KICs aim to create new products and services for existing and new industry, to generate new businesses, and to bring about more entrepreneurially minded and educated individuals. In doing so, the three KICs are again unique entities as they offer talented people novel EU-level frameworks anchored in existing excellent ecosystems.

KIC Funding Strategies

The current three KICs tackle climate change adaptation and mitigation (*Climate-KIC*), the future of the information and communication technologies (*EIT ICT Labs*) and sustainable energy (*KIC InnoEnergy*). During 2013-2015, all three KICs expect the share of the EIT contribution to remain at the level of (max.) 25% of their total budget, while exploring new revenue sources, including both public and private (partners and non-partners as well as regional, national and EU).

Climate-KIC will continue to decide on membership fees from core and affiliate partners on an annual basis. As regards other sources of funding, *Climate-KIC*’s main income generators will continue to be European private and public sources. During the 2013-2015 period, *Climate-KIC* will build close relations with select international funding institutions, notably the World Bank, relevant UN agencies and regional development banks. Links to international venture capital providers specialised in climate- and clean-tech will also be pursued. The EIT contribution will mainly support the KIC’s efforts in creating new business and education models around climate issues also in relationship with local creativity (intercepted through the Regional Innovation Centres).

According to the [catalyst-carrier model](#), the EIT contribution to ***EIT ICT Labs*** will act as a catalyst for the overall activities carried out by the KIC in two ways: (1) the EIT funding will be applied for the development and maintenance of activities that have ‘catalyst’ properties in relation to other actions based upon them, and (2) the EIT funding will, of itself, act as a catalyst to carrier activities. Other funding to *EIT ICT Labs* activities comes from KIC partners’ own contributions (29% in 2012), other EU programmes (13%), national/ regional sources (31%), and other private/public sources (3%). During 2013-2015, *EIT ICT Labs* does not anticipate major changes in the proportion of these funding sources. The development of own sources of revenues is part of *EIT ICT Labs*’ long-term strategy and unlikely to have a major impact during the 2013-2015 period.

KIC InnoEnergy is a profit oriented, but a not-for-dividend company that intends to reinvest all of its profits in its business model. During 2013-2015, the KIC will prove its concept and improve its value proposition through its portfolio of activities while continuing to explore new sources of revenue. Additional funding to *KIC InnoEnergy* will be further developed during the period 2013-2015, namely partners' cash and in-kind contributions, income from IP royalties, monetisation of equity and income from services to external customers and donations. More specifically, *KIC InnoEnergy* shares of partners' own contribution, IP and equity revenues are expected to increase significantly during these years. The EIT contribution will mainly support the evident vocation of the KIC towards the creation of start-ups and Venture Capital initiative in the framework of the new opportunities enabled by the carbon-free perspective.

A more detailed overview of KIC specific funding strategies and data is outlined in the KICs' respective Triennial Work Programme (c.f. Annex V).

1.2 KIC Activities

1.2.1 "Deepening" and "Widening" of Activities

Over the period 2013-2015, all three KICs will both intensify and further elaborate their current initiatives ("deepening"), and add new activities to their portfolios, broaden their partnerships, and explore new sources of funding ("widening") without compromising the principle of excellence that is at the heart of the EIT concept. Driving and complementing these developments, the EIT will take an active role in providing KICs and their partners with added value in addition to its funding support by strengthening strategic pillar/ Cross-KIC Agendas (see below chapters on education, entrepreneurship and research/ innovation).

Climate-KIC takes the integration of the knowledge triangle concept one step further by adding a fourth dimension – that of government and other public bodies, able to offer "local requirements and local knowledge" for the implementation of the climate-related business models. *Climate-KIC's* "knowledge triangle" is extended to what it calls the "Innovation Pyramid". *Climate-KIC* activities are built around four themes: assessing climate change and managing its drivers, transitioning to resilient low carbon cities, adaptive water management, and low-carbon production systems. By 2014, *Climate-KIC* aims to reach a steady state in which a new set of 25 to 30 projects will be launched annually. These new projects will be tightly integrated across the project portfolio and with the Education and Entrepreneurship Pillars.

The operations of **EIT ICT Labs** during 2013-2015 will be split into two categories: *action lines* and *catalyst development and evolution*. Action lines operate through KIC activities applying catalyst funding to carrier activities. In addition to the natural evolution resulting from maturity of the KIC, a major driver of further development of the catalysts is expected to be Horizon 2020, owing to the widespread role the next Framework Programme assigning to ICT, mostly in dealing with industrial leadership and societal challenges. For 2013-2015, the majority of the present action lines are expected to continue. These action lines comprise: addressing societal challenges through the contribution of ICT to future system-level solutions, products, or services in smart energy, health and well-being, digital cities, and intelligent transport systems; and adoption of ICT technologies and methodologies results by established ICT companies or new ventures, as well as exploring disruptive new Digital Society technologies and their impact on the everyday lives of Europeans. Impact is expected in terms of creation of new ventures, growth of existing SMEs, and renewal of existing firms through new business opportunities. The entrepreneurially oriented graduates of the *EIT ICT Labs* Master School and Doctoral School, reaching their full scale by 2015, will explore many of these impact routes.

In 2013-2015, **KIC InnoEnergy's** strategy is to become the leading engine for innovation and entrepreneurship in the field of sustainable energy: sustainability by addressing efficiency (thus cost) in the energy value chain (supply, transport, storage, distribution and retail), autonomy vis-à-vis the resource holders, security in supply and demand, and reduction of CO₂ and other green house gas emissions. Six thematic fields are targeted: renewables, clean coal technologies, smart grids & storage, smart cities and efficient buildings, energy from chemical fuels and convergence nuclear-renewables. Organisation and operations will continue to be lean and innovation oriented, prioritising output, accountability and efficiency. *KIC InnoEnergy's* work plan is a set of activities which are initiated,

sponsored, and managed by *KIC InnoEnergy* and its partners. There is no pre-conceived definition of the best approach to implement these activities from an organisational point of view so that the partners, the Co-Location Centres (CLCs), and the context influence and create different possible solutions in order to boost the specific innovation in that field.

Specific “Pillar” and Cross-KIC Activities

In the period of 2013 to 2015, the EIT will strengthen and refine existing collaboration mechanisms to prepare for the ramp-up of funding and to further boost EIT/KIC impact in education, entrepreneurship, and world-class innovation. To fully utilise the excellence of the KICs and exploit synergies and links with Horizon 2020 (H2020) overall, the EIT will support the consolidation of KICs and the achievement of their objectives through specific Pillar and cross-KIC agendas.

The EIT will incentivise KICs to develop joint activities on cross-cutting topics in the fields of education, entrepreneurship (including business creation, social entrepreneurship and intrapreneurship), world-class research/ innovation, as well as leveraging international co-operation and global outreach. Future cross-KIC collaboration can also be envisaged in areas such as “Sustainable Cities”. Moreover, the EIT will consider supporting and synergising the KICs through cross-KIC initiatives such as joint Masters, PhD and Continuing Professional Development (CPD) courses, cross-KIC mobility between academia and business, joint mentoring activities and/or joint international co-operation projects. In particular, the EIT may reserve a specific part of the EIT-KIC grant to incentivise such cross-KIC activities, exchange and practical learning.

Furthermore, as a true European Institute, the EIT will continue to foster cross-KIC exchange of good practices and ‘learning by doing’ innovative models as well as to seek continuous feedback to further refine its strategies through a structured dialogue with and across the KICs in order to be able to add value as well as to generate positive spill-overs across the EU beyond the partners in current and future. The KICs will be enabled to leverage follow-on support to new ventures via KIC-specialised IP management, venture capital, transnational incubation support, and activities fostering the culture of entrepreneurship and linking KICs with global innovation hotspots.

Consequently, in order to ensure that the experience and good practice examples of KICs have an impact beyond the participating organisations and countries, the EIT will establish specific actions to promote the exchange of experiences, promoting the mobility and the extension of KIC influence, codified and tacit knowledge learnings to new countries, sectors and disciplines.

Education

The EIT will contribute to the European Higher Education Area (EHEA) and its objectives by creating more entrepreneurially and innovation minded people in Europe, by delivering a unique brand of excellent education responsive to both business and societal demands focused on innovation, entrepreneurship and creativity within the thematic topics addressed by the KICs. Each existing KIC has defined a different approach to best promote the new skills and competences on entrepreneurship and creativity.

In the period 2013-2015, the EIT will focus on the following priorities on the basis of existing activities and in line with the Strategic Innovation Agenda:

- Implementation of the EIT Quality Assurance and Learning Enhancement model, as well as a strategy to encourage recognition by Member States of the new concept of curricula.
- Preparation for and development of an EIT student and alumnae / alumni community (c.f. Chapter 3.2: Fostering the EIT as a Knowledge Pool)

In 2013 and 2014, in line with the adopted Education Agenda, the key EIT education activity will be the implementation of the EIT Quality Assurance and Learning Enhancement model (QALE model). With a view to securing the quality of the EIT labelled degrees and diplomas as well as the particular EIT overarching learning outcomes (EIT LOs) (including innovative entrepreneurship education as an element of Masters and PhD programmes), the EIT will put in place a peer review and evaluation scheme. Furthermore, many of the current EIT labelled degrees are delivered jointly by organisations from different countries and a majority of them also award double or joint degrees. This double degree approach can allow opening the experience and training to other partner universities from countries not

participating in KICs, and the EIT will promote the exchange of practices cross-KICs and between KICs and other institutions to enhance the impact of the EIT.

Moreover, during 2013-2015, the EIT will encourage KICs to explore new avenues regarding funding for curriculum development activities leading to EIT label degrees. Potential examples to be considered might include incentives to encourage international joint degrees or the exploration of innovative practices such as involving business representatives in the selection of students. Moreover, the EIT will encourage and facilitate support to the mobility of internships within EIT labelled degrees.

Within areas such as *entrepreneurial education*, the KICs have recognised and indeed emphasised the benefits stemming from the EIT's common approach. Following delivery of a first wave of EIT labelled Masters Programmes for students starting in 2012, a **Climate-KIC** Fellows programme will be developed with the aim to deliver a first wave of EIT labelled PhD programmes to start in 2013. Online tools will be put in place enabling live broadcast of seminars etc. across *Climate-KIC*. Moreover, the potent and innovative educational tool, the Climate Contextual Learning Journey (CLJ) will continue to deliver new generations of young Climate-KIC entrepreneurs and innovators (more detailed information on this innovative tool can be obtained from the *Climate-KIC* website).

In 2012, **EIT ICT Labs** will launch its two main initiatives in education, (1) the EIT ICT Labs Masters School, with an initial set of seven technical majors offered at over 20 universities, and (2) the EIT ICT Labs Doctoral School, initially focusing on establishing Doctoral Training Centres (DTC) in its co-location centres. During 2013-2015, the main emphasis of the education pillar will be on building up these initiatives to their intended full scale by gradually increasing the intake of the Master School and by establishing new DTCs.

For the period of 2013-2015, **KIC InnoEnergy's** strategy is to ramp up seven MSc Schools, integrating the entrepreneurship and innovation characteristics, and six PhD Schools, where candidates are at the same time working on KIC innovation projects and receiving the added value activities in education, i.e. Life Long Learning courses or modules for the benefit of mid-career industry professionals. The EXPLORE House learning tools will continuously improve a close and efficient internal working, information and knowledge transfer channel, and will also be part of the outreach policy towards other internationally leading universities as well as society as a whole.

These three approaches to entrepreneurship, creativity and innovation education are structured in different ways according to the target group they aim at. The EIT will explore how these education models can best be applied and disseminated to other economic sectors, countries, and disciplines.

Entrepreneurship

To bridge the gap between innovative ideas and the market, Europe needs to create new businesses and foster innovation in existing ones. In addition to the entrepreneurship education activities described above and the opportunities for young entrepreneurs to develop and grow their business ideas within the KICs, the EIT's contribution to the development of a more entrepreneurial Europe will be to place a strong emphasis on:

1. Developing a next generation of entrepreneurial Europeans through EIT labelled degrees for KIC students, through a fellowship scheme for students, faculty, and entrepreneurs from outside the KICs, and through mentoring schemes for the high-growth ventures coming out of KICs;
2. Building pan-European networks of innovators and entrepreneurs through EIT networking events and by means of tools for virtual community building;
3. Strengthening the entrepreneurial culture in Europe through initiatives such as the *EIT Entrepreneurship Awards* and the *EIT Roundtable of Entrepreneurs*;
4. Facilitating the development of partnerships with the Venture Capital industry; and on
5. Facilitating cross-KIC learning on how to build entrepreneurial eco-systems and transnational incubation and business acceleration support infrastructure.

During 2011 and 2012, the EIT has established the foundations of its entrepreneurship activities that must be further enhanced in close co-operation with the KICs in the upcoming years. As such, the EIT's entrepreneurship agenda will focus on the following four priorities during 2013 to 2015:

- Reinforcing the *EIT Entrepreneurship Awards* and *EIT Roundtable of Entrepreneurs*;

- Considering jointly with the KICs a scheme in which individuals and multipliers (such as staff from incubation centres) will have the chance to participate in the activities of (other) KICs;
- Encouraging and supporting the KICs in creating conditions for “internationalisation of entrepreneurs” by supporting those willing to open up to markets or environments not (yet) covered by co-location centres on their topic.

During 2013 and beyond, the EIT will continue to promote entrepreneurs and to encourage and support entrepreneurial ventures within the KICs’ thematic areas through the *EIT Entrepreneurship Awards*. Based on the lessons learnt that have emerged following the first award ceremony in 2012, the EIT will strengthen its action to add value to both participating ventures and award winners; namely through (as identified by the first winners) its market-driven and impact-focused approach as well as benefits deriving from the highly integrated eco-system of higher education institutes, research and businesses in facilitating transfer to the market. The EIT award winners will benefit from mentoring, coaching and advice as their ventures advance. This concept will be rolled out in 2013 and further enhanced in the forthcoming years.

Furthering its entrepreneurship activities and offering advice to promising ventures coming from the KICs, the EIT in 2012 has set up the *EIT Roundtable of Entrepreneurs* associating highly experienced entrepreneurs with the EIT. From 2013 onwards, the role of the EIT Roundtable will be further refined with a view to provide tailor-made support in a systematic manner to promising ventures emerging from the KICs.

The EIT will consolidate its role as facilitator driving learning processes across the KICs and supporting each KIC in achieving results and enhanced impact. In 2013-2015, the EIT will thus build on the entrepreneurship activities of the current three KICs.

The core strategy of ***Climate-KIC’s*** Entrepreneurship Pillar is to build on, extend and strengthen the structures and environments existing within its co-location centres. A system is under development for a *Climate-KIC* label for incubators and valorisation centres. During 2013-2015, the *Climate Market Accelerator* will be further piloted and extended across the entire KIC. Specific programmes for climate starters will be further developed, e.g. the ‘Greenhouse’ programme where students and more senior researchers can step outside their day-to-day jobs to test and focus on developing a business model and business plan for their climate innovations.

To increase the flow of entrepreneurially minded and oriented people through its activities, ***EIT ICT Labs*** has already launched several initiatives which will reach their full scale during 2013-2015. The Entrepreneurship Support System catalyst is embedded directly into the local entrepreneurial eco-systems present in all co-location centres to identify and boost talents and ideas – from local to global. Initiatives such as the *EIT ICT Labs* “Soft Landing” concept of a cost-effective initiative for incubator and cluster client companies providing access to new markets outside Europe may be further developed as a good practice to be shared with the other KICs through incentives to be set up at EIT level.

KIC InnoEnergy has adopted a systemic innovation approach rooted in open and cross innovation. Based on the principles defined in the KIC Innovation System, from fostering creative ideas to business creation activities through a cultural change in the mindset of all actors involved in the KIC’s eco-system, *KIC InnoEnergy* will continue to nurture and accelerate the creation of business ventures with the highest potential. In 2013-2015, *KIC InnoEnergy* will further advance the *InnoEnergy Highway™*; a unified approach characterised by a clear European dimension, a specialisation on sustainable energy and a commitment to find the first customer and to facilitate the processes for new ventures.

Innovation

Today’s grand challenges are raising a number unexplored innovation issues. Most breakthrough solutions come from cross-border, cross-sectoral, and multi-disciplinary collaborations; and promising solutions need to be tested, demonstrated, and scaled up. The EIT is well positioned not only to address these challenges but also to ensure these promising solutions find a direct route to international markets, maximising KICs’ new-to-the-world innovations.

The objectives of the *EIT Innovation Agenda* are to support and ensure that activities undertaken by the KICs in the field of innovation are established as European front-runners, explore a wide range of innovation models of the highest standards (including open and demand-side innovation), and deliver

excellent innovation to Europe and beyond. The EIT will thus prioritise the following activities during the 2013-15 period:

- Advance the EIT-KICs' breakthrough innovation agenda and activities;
- Continue to explore the local-to-global role within the EIT KICs innovation model;
- Further the innovation management aspect of KICs' co-location centres by exploring the capacity of services and their delivery to its full potential; and
- Promote the exchange of novel innovation practices cross-KIC as well as between KICs and external organisations.

To date, many valuable elements have emerged at both EIT/KIC and co-location centre level which need further enhancement in the future. In the period 2013-2015, the EIT will further refine its integrated strategy for enhancing innovation models, with a view to securing the EIT's role as an impact investment institute focusing on seeding and leveraging dynamic innovation eco-systems through the KICs. With a proposed increased budget in the years 2013 to 2014 available to the current three KIC, one key to developing true 'breakthrough' innovations will be reinforced synergies and learnings of the KICs' co-location centres and their innovation activities. The EIT will strive to enhance the co-location centres' added value of enabling and accelerating innovations by further elaborating local-to-global test bed functions and projects as well as to increase the capacity of innovation, including e.g. exchange of support with other regions' operators to accelerate market entry.

In the period 2013-2015, ***Climate-KIC's*** Innovation and Pathfinder project portfolio will be progressively expanded, building strategically on areas of excellence of the KIC partners. A dual path will be followed for their portfolio development: matching high-quality proposals selected in a bottom-up approach with a strategic top-down approach to develop major integrated Innovation Platforms from the eight to ten focus areas. In addition, *Climate-KIC* will identify those platforms with an exceptionally high potential to develop: *Flagship Initiatives*. These will clearly demonstrate the KIC role and added-value, enhance the EIT-*Climate-KIC* brand, create buy-in by high-level decision-makers from business, policy and academia, and create strategic partnerships with other internationally profiled organisations. Integration of the entire activities portfolio will be achieved via the *Climate-KIC Radar*.

At the core of ***EIT ICT Labs's*** approach to world-class innovation is the role ICT can play within the innovation path of any knowledge-intensive process. This role will be created and reinforced along the entire innovation cycle (i.e. setting the agenda, mobilising actors and resources, executing, and delivering), by building and maintaining world-class competence in bringing results to the market and facilitating their commercial success and impact. Key *EIT ICT Labs* tools are: the Innovation Radar catalyst, the catalyst-carrier model, education outreach, business incubation, and exploitable R&D results.

In addition to ***KIC InnoEnergy's*** projects related to the six thematic fields, *lighthouse innovation drivers* will be continued as cross-thematic projects. In 2013-2015, the guiding principle of *KIC InnoEnergy* projects is to bring together the best actors from the field, both KIC and non-KIC. In parallel, a strengthened process will be fully applied: firstly, the selection of the best proposals through a three layer filter will ensure that all projects started will have highest possible impact and will be both sound and solid; and secondly, the monitoring and appraisal of the ongoing projects for a dynamic portfolio management.

1.2.2 Horizon 2020: Thematic Alignment

Being an integral part of the *Framework Programme for Research and Innovation - Horizon 2020* as of 2014, the EIT's activities will support and consistently contribute to Horizon 2020's overall policy objectives. Through its unique approach of Knowledge Triangle integration, the EIT's first three KICs will contribute to the Horizon 2020 objective by addressing *Societal Challenges* and creating *Industrial Leadership and Excellence in Science Base*. To date, the current three KICs already complement existing EU policies and initiatives in their respective thematic area, adding in particular an emphasis on talented individuals as effective knowledge carriers and entrepreneurs as key innovation actors for a successful Europe.

Climate-KIC will contribute to the Horizon 2020 implementation and already complements other EU funding programmes, including the European Climate Change Programmes as well as Education and Training. *Climate-KIC* is committed to using its unique position to consolidate and further expand Europe's global leadership and competitive value in all climate-related domains. This will be achieved through continuous collaboration with key players in the field, through monitoring of their own performance against global standards by way of selected Key Performance Indicators (KPI) and on-going contacts with international stakeholders. Societal challenges will be addressed by means of Regional Innovation Centres (RICs), where the social impact of the climate-related business models will be studied and measured in field.

EIT ICT Labs is already active in the three pillars of Horizon 2020. Its action lines in Health and Well-Being, Smart Energy Systems, Intelligent Mobility and Transport Systems, and Digital Cities are directly embedded in the *Societal Challenges* pillar. Similarly, action lines such as Computing in the Cloud, Future Internet Technology and Architecture, and Cyber-Physical Systems address the technical domains of the *Industrial Leadership* pillar; in these themes, *EIT ICT Labs* liaises closely with the Future Internet Public-Private-Partnership (PPP) initiative. Furthermore, the business catalysts map well to the innovation domains of the Industrial Leadership pillar. Lastly, the educational initiatives of *EIT ICT Labs* (Master and Doctoral School) link naturally with the skills and career development part of the *Excellence in Science Base* pillar. During the 2013-2015 period, *EIT ICT Labs* will pursue work in the domain of the Digital Society where activities have already started in some action lines such as Smart Spaces, Future Media and Content Delivery, Privacy, Security and Trust in Information Society, and ICT-enabled Human Activity.

KIC InnoEnergy contributes to the societal challenge of a decarbonised society, described extensively in the European Strategic Energy Technology Plan (SET plan) by experimenting sustainability-inspired processes as basic components of the path to the Smart Cities perspective. In terms of sustainable technologies and systems, objectives, directions and implications of the SET Plan are fully embedded within *KIC InnoEnergy's* mission statement (innovation to decrease energy cost, increase operability, decrease greenhouse gas effects). In the strategy, roadmap and work plan per thematic field; as well as in the Technology Readiness Level (TRL) and competence mapping, the approach of KIC InnoEnergy is well aligned with the aim of creating industrial leadership in the energy sector.

1.3 Ensuring Quality and Results

Any expansion of activities must not occur at the expense of overall quality. Quite to the contrary, in the period 2013-2015, the EIT will ensure the quality of results and impact achieved by means of a fit-for-purpose mechanism composed of a comprehensive system and dynamics for continuous monitoring at all governance levels (i.e. EIT, cross-KIC and KIC) that covers the whole life cycle of activities.

The EIT will ensure continued excellence by introducing competitive funding already in 2013 as part of its annual grant allocations while Pillar/ Cross-KIC activities will be subject to specific quality assurance processes (e.g. the EIT Quality Assurance and Learning Enhancement model in the area of education, incentive schemes for entrepreneurs etc.). The KICs' growth strategies will be accompanied by highly competitive approaches at KIC level including refined internal review processes in the preparation of their annual business plans.

Concerning allocation of resources, the EIT is unique at EU level as it couples two systemic built-in features and two dynamic add-ons for allocation of resources to enable not only excellence but also actual impacts. On the one hand, the selection of KICs was decided upon following a competitive procedure and, subsequently, KICs submit successive annual Business Plans following selective procedures at KIC level (including peer review). On the other hand, the EIT establishes award decisions on an annual basis by critically assessing the combined requests by the KICs. Furthermore, from 2013 onwards, award decisions will be structured in two parts: a *supporting* part covering in particular activities which are "public" in nature and a *competitive* part decided on the basis of past performance, forward looking and qualitative assessment following annual hearings with the EIT Governing Board. To that end, in the 2013-2015 period, the future EIT's Research/ Innovation Cross-KIC agenda may want to consider international comparisons and benchmarking.

1.3.1 Competitive Review Mechanisms

1.3.1.1 The KICs: Internal Quality Mechanisms

In preparation of their business plans, all three KICs introduced competitive and highly selective KIC-internal review mechanisms for their partners' proposals with a view to select the most promising activities and ensuring the quality of the selected project portfolio. In the period 2013-2015, the KICs will further develop and refine those annual processes with a view to increasing efforts towards quality, focus on results, and maximising impact.

Climate-KIC put in place a business plan preparation process concerning the selection of innovation projects (*Innovation and Pathfinder* pillar). In order to collect initial project ideas and discuss them among KIC partners, *Climate-KIC* has designed a special event, the *Climate-KIC Ideas Market Place* workshop, organised annually in June. KIC partners are encouraged to submit their initial project ideas to their respective co-location centres or Regional Innovation Centres (RICs). During the event, the initial project ideas are pitched, discussed, and checked against the special criteria related to the innovation project portfolio. Following the workshop, the initial project ideas are further elaborated and their final versions submitted to *Climate-KIC* in order to be centrally reviewed. In September of each year, the *Climate-KIC* Governing Board decides about the portfolio of projects to be included in the annual business plan. Subsequently, the portfolio of projects is approved by the *Climate-KIC* Assembly. Prior to the next implementation period, the full project description is elaborated by the KIC partners and projects are reviewed for quality.

EIT ICT Labs developed and implemented an internal Call of Activities for the first time in preparation of its 2012 business plan. This multi-staged process is intended to strike a balance between the top-down agenda of the KIC management and the needed openness to bottom-up initiatives of the community.

Main stages of the KIC internal review process include the following elements: (1) Call preparation (guidelines, catalyst tutorial, a Who-is-Who on *EIT ICT Labs* Action Lines, activity plan template etc.); (2) Roadshow (a series of five workshops organised at each co-location centres); (3) Call for Activities (in 2011 a total of 200 activity proposals were submitted); (4) Evaluation (one evaluation team per action line, a total of 1,200 reviews were submitted in 2011); (5) Consensus meetings; (6) *EIT ICT Labs* Management Committee decision (on the basis of the consensus meetings), (7) Notifications and refinement of activity proposals (feedback messages to all proposers); (8) Acceptance (by *EIT ICT Labs* Executive Steering Board and General Assembly); (9) Submission to EIT; and (10) EIT Hearing and EIT Governing Board decision.

2011 was the starting year for **KIC InnoEnergy's** competitive selection of innovation projects and educational activities. The selection of innovation projects starts at the beginning of each calendar year with the identification of industry needs and requirements, which that are then matched on the supply side to KIC InnoEnergy's research capacity within their partner research centres and universities. A call for proposals is subsequently launched.

The selection process takes place in two stages. Firstly, a filter and selection is conducted at thematic field level, then the final selection and ranking takes place at KIC level applying a set of ten eligibility and four qualitative selection criteria. The final result is a purely bottom up process limited only by the definition of the KIC's six thematic fields. KIC InnoEnergy projects must be results-oriented, produce market impact, include disruptive or incremental innovations, and involve no less than three partners from a minimum of two co-location centres including at least one industrial partner. Among the selection criteria are knowledge criteria (level of novelty, degree of innovation, alignment to InnoEnergy strategy, level of technical risk, new patents and integration of students, market criteria (commercialisation milestones, new products or services, economic impact, potential to create start-ups or spin-offs, SME participation, job creation), financial and operational viability. A similar process is adopted each year for the selection of the Learning Modules for the educational activities. The EIT: Competitive Review Mechanisms

1.3.1.2 The EIT: Competitive Review Mechanisms

Long-term commitment combined with annual review, assessment and validation of operations are key elements and distinct features of the EIT concept, characterised by facilitating critical support to KICs. The 2009 Call for KICs already provided that the EIT should "*make its annual funding decisions following an assessment of each KIC's individual performance and competitive review between the KICs*" [Framework Partnership Agreements (FPA)]. Main elements for the allocation decision against specific criteria include an annual draft KIC business plan evaluation (with the support of external experts), a report (by the EIT HQ) on KIC performance measured against agreed indicators and on consumption of the EIT financial contribution (aimed at formulating a first quantitative and objective opinion) coupled with annual KIC hearings with the EIT Governing Board (providing a qualitative and subjective check). On the basis of the experience and learnings of the initial years of operation for both the EIT and KICs, a comprehensive methodology has been developed for the determination of the annual allocation of EIT financial contribution to the KICs, including the definition of processes, *ex ante* planning, and criteria for allocation of resources. In order to ensure clarity, transparency, and equal treatment between the KICs, a set of evaluation elements, criteria and weighting system will be applied. This methodology aims to provide a long-term framework that combines consistency with the continuity required for key activities and is coupled with a competitive allocation of the annual EIT contribution to the KICs.

Given the long term and multi-year nature of the EIT/KIC partnership, it is important that the EIT's annual financial contribution is allocated in a manner that balances the requirement to support the KICs' long-term strategy of establishment and consolidation, while rewarding each KIC for its performance and ambitions in the shorter term. Therefore, the annual EIT financial contribution is envisaged to be divided in two parts: (1) *Support Funding* to be equally split between those KICs that meet the formal requirements for EIT funding allocation (i.e. submission of KIC business plans in line with the EIT requirements as part of the successful partnership selected through the 2009 Call), and (2) *Competitive Funding* to be distributed amongst the KICs in a comparative manner based on their overall evaluation score for the elements provided in the FPA, further disaggregated and specified as follows:

1. KIC Past Performance: Individual KIC implementation of previous business plans (EIT Grant Agreements) assessed on the basis of the latest KIC Grant Agreement (GA) reports accepted, comparative cross-KIC review of KIC results to date measured against a robust Key Performance Indicator system, and KIC consumption of the EIT financial contribution as per latest EIT approved GA Report, calculated as a percentage of the final EIT grant amount in the awarded EIT grant amount.
2. KIC Business Plan and estimated budget for the relevant year to be evaluated in co-operation with external experts based on specific criteria adopted by the EIT Governing Board.
3. Outcome of the KIC Annual Hearing with the EIT Governing Board, particularly based on KIC progress and results in the implementation of its business plans and GA to date, as well as planned activities (business plan) focused on KIC added-value activities.

The comparative size of *Support Funding vis-à-vis Competitive Funding* is influenced by the importance the EIT places on satisfying the KICs' need for further institutional support in progressively establishing and consolidating themselves (and respective activities to be deployed), versus the provision of incentives for cross-KIC competition for best ideas and results. The two streams of contribution enable the EIT to keep the growth of KICs strictly conditional on quality and achievements. Moreover, the different evaluation elements for the allocation of *Competitive Funding* may have different weightings according to the importance given to past performance compared to future ambitions and initiatives.

Therefore, the comparative proportion of these two types of KIC funding and weighting of the different evaluation elements will be determined on a yearly basis by the EIT Governing Board upon a proposal by the EIT Director consistent with the progressive unfolding of KICs successive waves' strategies.

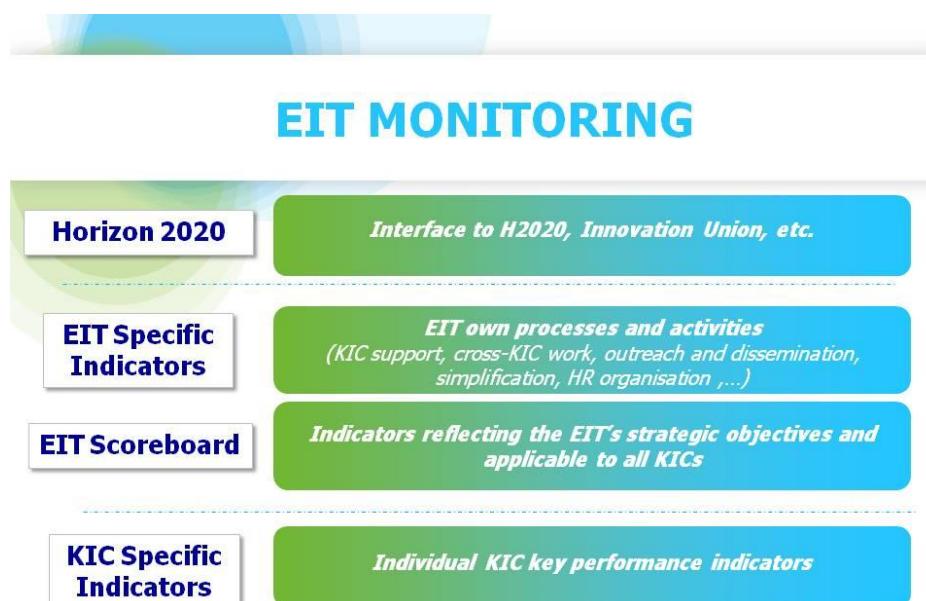
1.3.2 Result-Oriented Monitoring

During the period 2013-2015, the EIT will put emphasis on monitoring its progress through a holistic Performance Measurement System (PMS) designed to showcase the EIT's impact and its KICs' results and the way EIT-KICs unique associations will progressively build synergies upstream, with the Horizon 2020, and downstream, with the KICs partners. Such a system will monitor the EIT's progress towards the achievements of its objectives and it will enshrine at all levels a results-oriented culture.

Based on a strategic exercise carried out in 2012 to define the performance measurements needed to track the implementation of the EIT's mission and vision in line with its overarching values (namely service-oriented, creative, inspiring and a learning organisation), the EIT will develop and from 2013 onwards implement and report on strategic objectives that will monitor based on tangible results:

- The HOW, i.e. the operational excellence achieved by the EIT/KICs;
- The WHERE, i.e. the brand awareness of the EIT/KICs regarding its positioning in the European and world-wide innovation landscape;
- The WHAT, i.e. the achievements delivered by the EIT/KICs as an enabler innovation and value creation.
- The WHO, i.e. international collaboration, diversity of EU partners.

In 2012, the EIT Governing Board endorsed the main orientation and approach for the EIT's performance to be measured through the monitoring of indicators that will support objectives of both strategic and operational nature and refer to the EIT's own processes/ activities and the interlinks with the KICs' activities. In order to sustain the approach over time, the EIT will implement an effective tool (i.e. Knowledge Management System) to centrally collect and analyse data, and compute the results of the performance indicators, which will be measured on a consistent and regular basis.



The EIT's Performance Measurement System (PMS) consists of four levels: At the first level, the KICs will monitor the impact of their activities through individual KIC Key Performance Indicators (KPIs) that are included in annual business plans. At the second level, the EIT Scoreboard comprises indicators reflecting the strategic objectives of the EIT which are delivered by all KICs. Examples of such indicators comprise (i.a.): number of start-ups created, new products and services launched in the market, number of patents, number of graduates. Thirdly, the EIT will have its own specific indicators which will describe its own processes and activities. Currently considered are amongst others:

- EIT labelled initiatives having a positive impact on the KICs (including simplification),
- Brand Awareness/ Number of Stakeholders events,
- Level of satisfaction on EIT services.

Finally, the fourth level will contain indicators that will demonstrate the contribution of EIT's activities to the objectives of Horizon 2020, Innovation Union and other relevant EU programmes and policies.

For the remainder of 2012, the focus will be on validating and operationalising core KPIs (Q1-Q2/2102), and subsequently on validating the remaining indicators, operationalising, and thereby finalising the definition and implementation of the overall processes and IT system (Q3-Q4/2012) with a view to support the collection and analysis of future data from KICs on a regular basis. This will involve work to finalise the definition of performance indicators attributes and to cascade the strategic indicators down to operational levels.

The focus for 2013 will be to improve the processes based on early experiences and to prepare for the up-scaling of the IT system and processes with a view to for the next wave of KICs to adopt a results-based monitoring. During the period 2014-2015, the EIT will focus on support to the new KICs in establishing their KPI strategy and processes in line with the overall EIT Performance Measurement System. The performance measurement system will be designed with a view to archiving and analysing information over time to investigate correlations between factors and identify good practices.

Over the period of 2013-2015, upgrades will constantly improve the performance measurement system based on a systematic evaluation of the lessons learnt. In addition, the third and fourth levels of monitoring will allow the EIT to further elaborate on the mechanisms that make the beneficial effects on the European economy possible (e.g. the EIT funding strategy, the entrepreneurial-driven education etc.) as well as on the ways enabling these mechanisms to be replicable (EIT role model).

Results will be produced at least on an annual basis. All data is to be collected by the EIT and reported via the EIT's rolling Triennial Work Programme and the Annual Activity Report. Furthermore, as of 2014, the new KICs will enter into a results-oriented monitoring, taking into account the lessons learnt on this matter from the first three KICs.

This results-oriented monitoring approach will bring about substantial changes and improvements in providing visibility and a continuous feedback loop to the EIT's different stakeholders.

2) Preparing for the EIT's Next Round of KICs

With the EIT and KIC concept having been validated, the EIT will during 2013-2015 continue to build on its distinct features that include its funding model, the high degree of integration of the KICs, their long-term strategic approach and innovative governance structures as well as their emphasis on EIT partnering with a clear focus on result and impact-orientation, simplified and operational excellence, dissemination of innovation models, good practices and thought leadership.

As set out in the SIA, the EIT must be ready to launch the next wave of KICs following the adoption of the legislative package and the Multi-annual Financial Framework (MFF) 2014-2020. This chapter will outline the envisaged, indicative roadmap as the success of the next wave of KICs largely depends on clear, timely and comprehensive guidance to all future potential applicants.

The future Call for Proposals, its criteria and details of the selection process will be subject to a decision by the renewed EIT Governing Board. Moreover, the EIT Governing Board will take a decision on the evaluation process building on lessons learnt from the first KIC call, exploring good practices in the EU and beyond regarding peer review processes and selection of experts. The EIT will put in place all necessary logistical and technical measures to ensure that core processes are safeguarded.

In the first quarter 2013, the EIT plans to organise a kick-off seminar on individual themes for the next wave of KICs once adopted by the European Parliament and Council with a view to bringing together strategic stakeholders and EIT representatives as well as representatives from relevant European Commission services and EU programmes to enable opportunities for future synergies and complementarities by future KIC proposers.

In the second quarter of 2013, the EIT aims to publish the selection criteria applicable to the next wave of KICs. A key component to ensure a successful next round of KICs is the issuance of timely and clear guidance on requirements and processes. Thus, with a view to reach out to as large an audience as possible, the EIT will issue an *Applicants Manual* based on the lessons learned from the first call for KICs covering major topics from a legal (e.g. options for legal set-up, IPR issues), governance,

operational (e.g. monitoring, key performance indicators), and financial standpoints that will help applicants in their preparation for the submission of excellent proposals. In doing so, the EIT will make available factual lessons learnt from the models, structures and activities of the existing three KICs (including the co-location concept), budget and financial issues (e.g. non-EIT funding sources), and key features of the model contracts to concluded by the EIT.

Moreover, subsequent to the call launch, with a view to ensuring a wide participation in the next wave of KICs, the EIT will organise one *Info Day* event with a view to raising awareness among stakeholders on the objectives and strategy of the EIT. The EIT will ensure timely access to relevant information to stakeholders across the EU. To this end, the EIT explicitly expresses its strong willingness to hold awareness raising sessions in response to Member States' requests and in Member States with innovation potential to be tapped in but where at the same time the EIT remains still largely unknown.

Within three months following the adoption of the Multi-annual Financial Framework (MFF) by the European Parliament and Council expected for the second half of 2013, the EIT will launch the Call for KICs ensuring that potential proposers will be given sufficient time (between four to six months) to develop their strategies, to organise the partnership, and to respond to the call. The EIT will also ensure that a proper electronic proposal submission system is in place.

About nine to twelve months after the MFF adoption, the EIT will conduct the evaluation of proposals received aiming to designate the new KICs by the end of 2014 or early 2015 at the latest. The grant allocation will take place within the first six months following the designation. In the meantime, the EIT will nurture and support the designated KICs in their founding phase, namely by providing some seed funding to facilitate their set-up (akin to the 2010 Preparatory Grant Agreements signed with the first three designated KICs).

The above indicative roadmap (detailed in Annex IV) depends on the timeframe of negotiations between the European Parliament and Council. It takes into consideration and builds on lessons learnt from the first call for KIC proposals in 2009. The success of the EIT's future calls of KICs will depend largely on clear and consistent guidance as regards the expectations and requirements, as well as a reference timeframe planning allowing KIC applicants to solidly prepare both legally and financially before submitting a proposal. KICs will be evaluated against detailed and precise criteria to be defined, based on the overarching principles of knowledge excellence and innovation relevance including overall criteria of alignment with other EU programmes and initiatives.

3) Enhancing the EIT's Impact

The EIT must build on the consolidation of the current three KICs and preparation for the next wave of KICs by enhancing its impact through the development of a simplification agenda as well as reinforcing the knowledge triangle integration and its role as an institute disseminating good practices and innovation models across Europe.

3.1 Flexibility and Simplification

Current EIT Financial Rules include a number of derogations designed to increase flexibility and to simplify KIC grant actions. The EIT and KICs already build on these derogations which facilitate the implementation of the Annual Grant Agreements (GAs) to a great extent. Building upon existing and future derogations, the EIT in 2012 will complete the establishment of a simplification agenda with the aim of promoting additional simplification and flexibility where and whenever feasible.

As of 2013, the EIT will start implementing its Simplification Agenda, to extend and explore further alternatives and additional measures for simplification. In 2012, the EIT made available flat rates, lump sums for educational activities and extended the thresholds applicable for financial support to third parties based on the relevant derogation granted by the European Commission. To further exploit this derogation, from 2013 KICs will benefit from an extended use of lump sums and flat rates beyond educational activities. Potential other activities will be discussed and jointly developed with the KICs. Moreover, lessons learnt from the implementation of the 2010 and 2011 Annual GAs, will help to

streamline planning and monitoring processes fostering a simplified approach to grant implementation, performance and cost reporting.

Finally, as from 2014 the EIT will be an integral part of Horizon 2020 (H2020). While maintaining the advantages of existing EIT derogations, H2020's common rules for participation should and will be applied by the EIT from the beginning. The EIT's ambition is that based on an initial phase and its experiences, EIT will go further in simplifying implementation of KIC grants. The EIT will present ongoing developments and achievements to other initiatives and programmes sharing its simplified grant practises. To this end, the EIT will fully exploit the potentials of derogations decided upon in December 2011 by the EIT Governing Board for sub-granting by the KICs. Moreover, in 2013-2015, the implementation of lump sums and flat rates will be complemented by a benchmarking process with a view to support an EIT Governing Board decision on a more extensive use for a wider portfolio of activities.

In addition and in parallel to the aforementioned efforts towards simplification of traditional grant implementation, the EIT will continue to explore and study potential new avenues within the EU settings. As initial ideas, those might include:

1. Taking Horizon 2020 novelties also on board for the EIT and its KICs;
2. More radical, potential and the conditions of an extended use of prizes, procurements and financial instruments for specific EIT objectives, alone or in combination with EIT grants;
3. Supporting the KICs' in their quest for leveraging additional funding sources and exploring the feasibility of accessing financing modes specifically tailored to the KICs beyond conventional grants (i.e. Venture Capital in particular) while respecting given legal and financial requirements.

To assess progress in 2015/2016, a benchmarking exercise will be conducted and regular progress reports on the implementation of the overall simplification agenda will be reflected in the EIT's Annual Activity Report. The EIT's audit strategy will apply Horizon 2020 overall audit strategy elements and will co-ordinate audit methodologies plans to prevent inconsistencies and unnecessary overlaps.

3.2 Fostering the EIT as a Knowledge Pool

An important objective of the EIT is to attract and nurture top talent as well as to foster the next generation of innovation hotspots where such talent can thrive.

In 2013-2015, the *EIT Governing Board* (GB), comprised of renowned leaders, will continue to provide the overall strategic leadership of the EIT. Supported by a service-oriented and fully operational EIT Headquarters, the Governing Board will concentrate on driving the EIT's strategic agenda. In order to further streamline decision-making, the European Commission proposed the overall size of the Board will to be reduced to a total of 16 following the expiration of term of the original Governing Board members in 2012 and 2014, respectively. GB Members staying on until 2014 will ensure seamless business continuity and retain independence.

At EIT level, learnings will be consolidated as a result of the EIT's unique partnership with the current three KICs and their co-location centres integrating operations, Knowledge Triangle policies and practices. In doing so, the EIT will be able to offer codified and tacit knowledge to innovation policy makers and innovation support programme owners at intergovernmental, national and regional level, thereby facilitating the incorporation of such novel approaches into their respective support portfolios. This will amplify the EIT's impact at EU level as well as align further potential support to the KICs. In doing so, the EIT will realise its vision as 'knowledge pool' in novel innovation policies and practices to be widely disseminated across Europe, contributing to its ambition as thought leader and role model.

At KIC level, to encourage an influx of talent into their co-location centres and to enhance both its impact and outreach, the EIT will develop a specific people scheme to ensure that students, researchers, teaching staff, policy makers and entrepreneurs at all career levels will be connected to the EIT and its activities: the *EIT Fellowship Scheme*. Such a scheme will not only provide talents from beyond the KICs with the opportunity to benefit from the innovation environments created within the co-location centres, but will also provide them with incentives to put the acquired knowledge and know-how into practice and disseminate it further. The EIT might consider introducing an outreach commitment for fellows similar to the publicity requirement under the EU structural funds scheme and

with a view to linking the EIT Fellowship Scheme to the EU regional development and cohesion policies, thus creating synergies and ensuring an even wider dissemination of EIT good practices across Europe. Moreover, a structural effect could be triggered by introducing twinning between institutions at co-location centre level in agreement with the KICs, coupled with 'smart specialisation' policies and catalysing activities at the EIT Headquarters.

In addition to the development of the EIT Fellowship Scheme, the 2013-2015 period will see the emergence of the first graduates from all three KICs' higher education institutions. Together with the fellows, these graduates will become part of the *EIT Alumnae/ Alumni*. In order to foster knowledge sharing, joint projects and ventures, mentoring and networking across the KICs and EIT, the EIT will continue to support the formation of an EIT alumni community during the duration of this TWP. The EIT will nurture this community, *inter alia*, by providing a fit-for-purpose collaboration mechanism and by facilitating a bi-annual gathering (e.g. conference) in 2013 and 2015 with the aim of encouraging this alumni community to become self-sustainable in the long-run. To make the most efficient use of its resources, the EIT will explore the possibility of outsourcing the management of the alumni community.

3.3 Raising Awareness through Outreach

In order to systematically increase the visibility and overall impact of the EIT and KICs' activities, the Institute will conduct a wide range of structured communications and outreach activities at European level. The emphasis of these communications efforts will focus on three priorities:

- Enhancing EIT brand awareness and visibility and driving the creation of a brand of excellence,
- Increasing the level of understanding of the EIT among its stakeholder community with a view to motivating stakeholders to take an active interest in the EIT and to participate in its activities,
- Disseminating EIT and KICs' results, learnings, good practices and innovation models emerging from the KICs beyond the partners and countries currently participating in the KICs.

In the years 2013-2015, the EIT, working closely together with the KICs, will step up its dissemination and outreach efforts building upon the results of the EIT and the KICs and with a view to gain visibility and raise brand awareness evidence-based focusing on results and novel approaches. To this end, the EIT will:

- Facilitate the distribution of good practices and guide extramural research on models;
- Establish and secure EIT presence in key global events (e.g. World Economic Forum, Global Entrepreneurship Week, Science and Technology for Society Summit, etc.);

With a view to facilitating learning and the dissemination of good practices, added value and synergies, the EIT will further develop its range of regular publications, namely the quarterly *EIT Bulletin* (first edition foreseen in late 2012) aiming to showcase KIC results, good practices, and world-class innovations beyond the KIC perimeter; as well as an annual *EIT Thoughtbook* (first edition 2013) providing "food for thought" by EIT thought leaders working to advance Europe's world-class innovation potential through education and entrepreneurial success. In addition, a new platform for interaction, the *EIT Stakeholder Forum*, will be introduced in 2014 and existing activities, such as the EIT conferences organised under the auspices of the respective rotating six-month Presidency of the Council of the European Union, will be further refined.

An important objective for the EIT in 2013 and 2014 will be the implementation of a Knowledge Sharing tool that will support the establishment of an information sharing and knowledge management culture within the EIT in collaboration with KICs. It will be designed to compile, analyse, and mature information in order to support the generation of high added value outputs and dissemination to a wider stakeholder community.

The EIT's outreach focus for 2013-15 will thus play an important role in disseminating results as well as in increasing understanding and interest amongst its wider stakeholder community, not only regarding its ongoing activities but also with a view of potentially participating in a future wave of KICs. The EIT will also make use of publications and information materials, events, media, and speaking engagements to achieve these objectives.

In addition to its own communication and dissemination activities and joint collaboration with the existing three KICs, each KIC will also consolidate its activities in this field.

Climate-KIC's primary outreach tools by order of significance will be "People" (key KIC staff and partners, academic associates, alumni, students, Pioneers into Practice); co-location centre events and dissemination activities for local/national audiences; conferences (e.g. Innovation Festival), central KIC-level bilateral meetings with potential partners and collaborators; and the Climate-KIC Alumni Association.

EIT ICT Labs' marketing and communications strategy focuses on building a consistent and impactful "face to the customer" by further developing the brand, which will cover the entire range of interactions with external and internal stakeholders. An important part of its strategy is ensuring presence at key events and venues, such as *EIT ICT Labs'* participation at the influential annual CeBIT fair in Hanover (Germany).

KIC InnoEnergy will continue to implement comprehensive dissemination measures to raise awareness and to enable the attainment of the KIC's objectives and impacts. Measures will be specifically designed for different target groups (including public and private investors, scientific community, wider society, and emerging countries) with a view to ensuring the appropriateness of the messages and hence optimised outreach.

3.4 Enhancing Stakeholder Engagement

From 2014 onwards, the EIT will set up an annual *EIT Stakeholder Forum* bringing together the wider stakeholder community from within the Knowledge Triangle (higher education, research, innovation/business) as well as representatives from the EU institutions as well as national, regional, and local interest groups. Each *Forum* will be dedicated to cross-cutting EIT issues addressed by combining in-person and interactive formats, transforming event attendees into active participants, and thus maximising impact. By means of such a regular and systematic approach, the EIT will further enhance its stakeholder engagement to become more refined, structured and targeted with a view to establishing itself as a dynamic platform for knowledge exchange, mutual learning, and identification of good practices in line with its ambition to strengthen its role of an "institute".

Complementing the annual *Stakeholder Forum*, the EIT will reinforce its engagement with existing EIT stakeholder communities, multiplier and umbrella organisations on a day-to-day basis seeking strategic and structured input to and feedback on ongoing and planned future EIT activities in a multi-level innovation Europe. In 2013-2015, the EIT will continue to answer to Member States' request by supporting national driven efforts and initiatives such as the so-called 'EIT Awareness Days', which consist of targeted information sessions tailored to national stakeholder audiences.

Moreover, the EU institutional dialogue will be complemented by means of the established annual meeting organised between the EIT, KICs and relevant services of the European Commission. The EIT will continue to actively support the exchange between the EIT, KICs and other EU initiatives in order to ensure that synergies and complementarities within the Innovation Union and fellow Horizon 2020 initiatives and programmes are addressed in a systematic manner.

In addition, the EIT as a European initiative with a clear *international ambition* will further develop its activities in this arena in the course of 2013-2015. The EIT cannot strive to become world-class in innovation by just looking inwards. To this end, the EIT will strive to create synergies, to leverage its efforts on, and to contribute to the Union's and the Member States' international engagement to continuously enhance innovation capacity on the global scene.

As of 2014, the EIT will make use of and benefit from its integration into the Horizon 2020 framework. In particular, the EIT will strive to increase its impact at global level by closely collaborating with relevant European Commission services. The EIT will add value to the KICs' activities by acting as a facilitator within the EU context. The EIT should be able to make full use of the EU's global network of delegations as a door opener for future EIT and KIC-driven activities in Third Countries (i.e. non-EU/EFTA countries).

Moreover, in the years 2013-2015, the EIT will build upon the KIC networks and support KIC activities with a view to attracting talent, partner organisations, researchers and students from all over the world

– including encouraging their mobility – as well as to co-operate with Third Country organisations in countries of strategic importance. The EIT will conduct benchmarking exercises, draft country reports and develop strategies to increase global outreach (including participation in events) to support the KICs in their endeavours. An initial focus will be on countries such as the United States of America, India and China.

3.5 The EIT Foundation

The *EIT Foundation (EITF)* is an entirely independent legal entity separate from the EIT, whose sole purpose is to support and promote the work of the EIT. One of its objectives is to raise private capital with which to develop activities to supplement and complement the activities of the EIT. In particular, the Foundation as an independent non-governmental organisation and charity subject to Dutch law can avail itself of greater flexibility as regards the management and payment of funds, and offer donors advantageous fiscal conditions.

The EIT acknowledges that the EITF's 2020 work programme has been adopted and is currently being implemented. The EIT will continue to strive to ensure alignment between EITF and EIT strategic objectives and priority activities such as support to scholarships, mentoring, etc.

4) EIT Headquarters Organisational Readiness and Talent

The 2013-2015 period will see a transformation of today's EIT into an *EIT 2.0* meaning an evolution from the early start-up phase characterised by a limited number of three KICs and corporate EIT processes in the making to an 2014-2020 scenario. This scenario will be characterised by an increased number of KICs, a portfolio approach to impact investments coupled with the ambition of the EIT to effectively work not only for the KICs but for Europe at large, fully deploying its role as an Institute and reference model for novel practices regarding Knowledge Triangle integration, identification, and dissemination. Already in 2012, in preparing for this next phase, the EIT Headquarters have achieved progress in three mission crucial areas: introduction of structured interactions with the KICs, efficient internal protocols, and the right talent to animate both.

All three aspects will be further deepened in 2013-2015: firstly, reinforcing the structured dialogue with the current three KICs through the *EIT Forum* integrating all areas of corporate interest to both the EIT and its KICs (cf. Annex III). Secondly, at the EIT Headquarters, translating the learnings from the current EIT-KIC grant operations into mature internal control standards, operational procedures, codified workflows and routines aiming at increased intramural efficiency and effectiveness. And thirdly, the EIT will continue to recruit the talent, expertise and experience it needs to offer leadership and to facilitate not only managing but also shaping new approaches.

Moreover, EIT/KIC Task Forces have been set up reporting to the *EIT Forum* comprising the EIT Director and KIC CEOs. These Task Forces cover so-called 'vertical agendas' such as Performance Monitoring/KPIs, Finance Operations and Simplification, as well as Communication and Marketing. The *EIT Forum* meets at least four times a year prior to EIT Governing Board meetings, thereby ensuring latest KIC developments are considered in a timely manner. Operating in the area of innovative governance, the *EIT Forum* is paving the way for future KICs to benefit from the learnings to date.

With an increased number of KICs, the *EIT Forum* will play an even more important role in anticipating solutions by mobilising the EIT's unique features, far away from a controlling mode to actually offer itself as a synergiser for the KICs collectively. Already in 2012, by translating this into internal control standards, operational procedures and internal workflows, the EIT is preparing in a timely and effective manner for its next development phase, i.e. reaching *cruising altitude*.

Organisational Readiness and Leadership

A three pillar EIT HQ chart decided in the later part of 2011 to align roles and structures regarding Administration, KIC Operations (core business) and Intelligence gathering (c.f. Figure), aligned with the basic roles of the EIT Director, respectively, to build a team, to facilitate KIC partnerships and

implement the strategies of the EIT defined by the Governing Board. The three Pillar/Unit set up is completed with a set of corporate functions reporting to the Director (Accounting, Internal Auditing, Legal Advice, Corporate Communications, Global Outreach, etc). First achievements on structural progress are already in hand.

Further, as a matter of priority already in 2012, the EIT will ensure that highly qualified and sufficient human resources are available for core managing functions for the increased budget and additional number of KICs in a responsible, reliable, and accountable manner. Consistent with that, the Institute's Multi-annual Staff Policy Plan (MSPP) 2013-2015 describes in more detail the management of human resources which focuses on getting EIT Management ready for the transition from the current financial perspectives and the future ones, in particular, the future anticipated waves of KICs requiring the professionalisation and leadership of core functions at the EIT Headquarters.

The EIT is very committed to establishing a modern working environment and promotes a motivating culture of trust, openness and transparency. Parallel to that, the consistent attainment of organisational goals is being spearheaded by the creation of task forces. This includes cross-unit teams continuously being encouraged and followed-up by the Management Team in all fronts, all staff briefings, etc.

Further to the above, the Management Team is willing to consider specialised consultancy support actions in 2012 to further identify how to simplify both its in-house and externalised activities in preparing the best operational basis possible to manage a larger portfolio of KICs from 2014 onwards.

Talent Attraction, Mobility and Training

In addition to the above, this TWP responds to the overall vision and HR policy for the EIT as a service-oriented, creative, inspiring and learning organisation. To this end, the EIT will not limit itself to the possibilities offered by statutory provisions (i.e. the EIT Establishment Plan) but further consider making resources available through external support sources, e.g. contracted experts, and other procured works and services including temporary secondments from KICs' partners for non-sensitive areas, i.e. outside grant operations and finance thereby avoiding potential conflicts of interests while engaging talent to raise intelligence and ad hoc expertise deployment.

In 2013, the EIT will explore the possibility of engaging with experts on a shorter term basis, namely National Experts in Professional Training (NEPT) with a view to benefit from expertise available at Member State, regional, and local level. This tool aims at creating a shared view of the EIT Headquarters' objectives and strengthening the common sense of identification with the EIT mission.

Respecting the principles of ethics and integrity, a regular and active participation of the EIT's diverse staff in achieving the EIT's mission is considered a major success factor. The EIT will continuously step up its efforts with a view to becoming a centre of expertise and an open place for learning, knowledge exchange and mobility with a view to making use of its current staff's expertise to their full potential. Attracting talented people seeking opportunities to develop professionally and to advance personally will continue to be very much recognised by the Institute.

To meet these challenges, the EIT must not only attract but also retain highly motivated and experienced staff to its Headquarters. During the period of 2013-2015, the EIT strives to create an attractive and inviting working environment, and will establish and implement a modern and dynamic HR policy: the EIT will excel in the opportunities offered to employees in further developing their expertise by keeping abreast of the latest developments in their respective fields of responsibility and if feasible, beyond.

To this end, starting in the course of 2012, the EIT will put in place an evolving training policy which takes into account latest developments in the field of professional and personal enhancement, including areas of corporate interest and strategic focus. In the course of 2013 and 2014, this policy will be continuously advanced in light of initial lessons learnt and a responsible budget allocation. This includes a comprehensive programme of *in-house training sessions* that will be organised on topics of common staff interest (incl. project management, grant management, etc.) with a view to building up and ensuring the implementation of EIT corporate values, ethics, and policies.

The EIT is strongly committed to establishing a modern working environment that promotes a motivating culture of trust, openness and transparency and policies will be established to leverage on the learning and excellence of the KICs.

Annexes

- I. EIT Estimated Budget 2013-2015
- II. EIT Budapest Headquarter Organisational Chart
- III. Overview of EIT/KIC Structured Dialogue Mechanisms
- IV. Indicative Roadmap 2013-2015 for the EIT's Next Round of KICs
- V. The Current Three KICs' Ongoing and Planned Activities

ANNEX I: EIT Estimated Budget 2013-2015

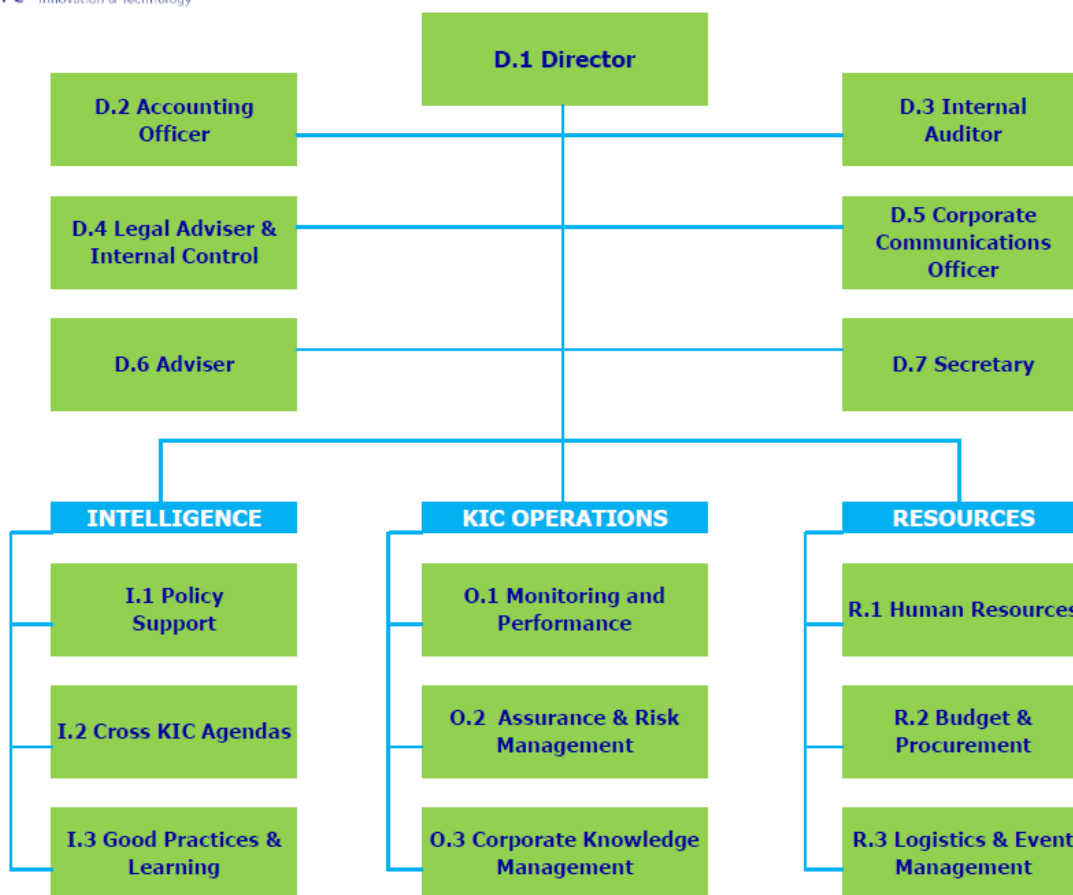
EUR million (to 3 decimal places) in current prices

	2013*		2014**		2015**	
	Commitments	Payments	Commitments	Payments	Commitments	Payments
Administrative Expenses - 'Governing structure'	7.265	7.265	7.429	7.429	8.118	8.118
Operational Expenses - 'Knowledge and Innovation Communities and other operational activities'	123.037	124.285	267.498	232.723	324.047	281.921
Total	130.302	131.550	274.927	240.152	332.165	290.039

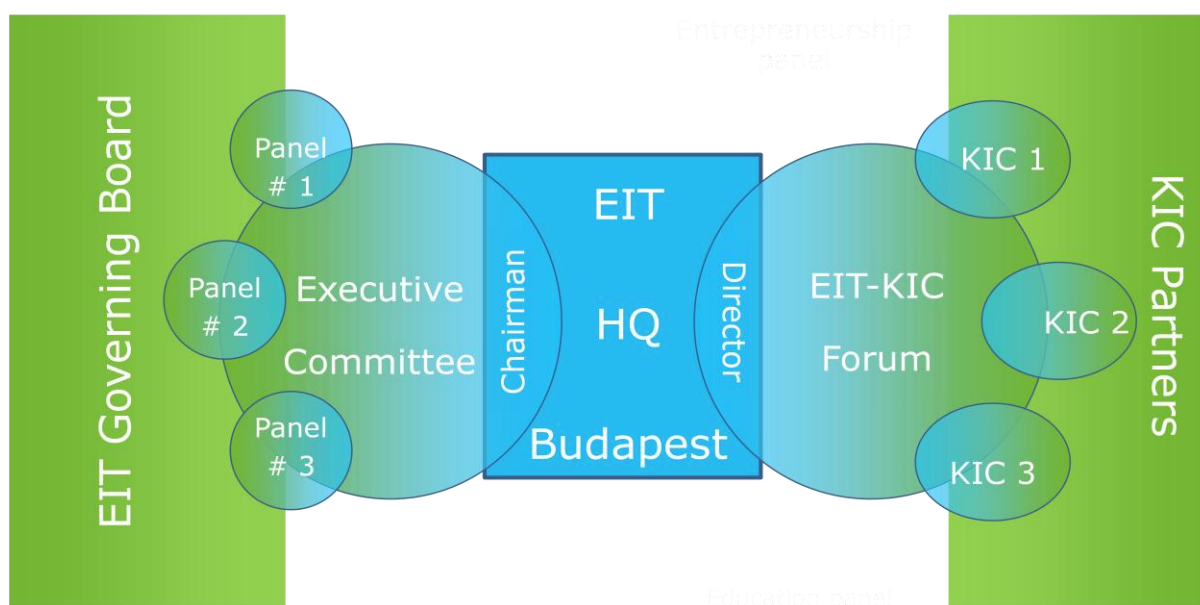
* 2013 figures are estimates and subject to the adoption of the EU budget.

**2014-2015 figures are based on the European Commission's proposal of 30/11/2011 (COM(2011)817).

ANNEX II: EIT Headquarter Organisational Chart



ANNEX III: Overview of EIT/KIC Structured Dialogue Mechanisms



ANNEX IV: Indicative Roadmap 2013-2015 for the EIT's Next Round of KICs*

Indicative Roadmap 2013-2015	Action
Q1/2013	The EIT proposes to organise a seminar on individual themes for the next wave of KICs once adopted by the European Parliament and Council with a view to bringing together strategic stakeholders and EIT representatives as well as representatives from relevant European Commission services and EU programmes to enable opportunities for future synergies and complementarity.
Q2/2013	The EIT aims to publish the selection criteria applicable to the next wave of KICs as well as an Applicants Manual including information on options for legal set-up of a KIC and IPR issues, and information on finance, monitoring, and evaluation related issues.
<i>Adoption of the Multi-annual Financial Framework (MFF) envisaged between Q3-Q4/2013</i>	
Step 1 <i>[MFF adoption + 3 months]</i>	The EIT will launch the Call for KICs , proposers will be given sufficient time to respond to the call (i.e. between four to six months).
Step 2 <i>[Step 1 + 2 months]</i>	The EIT will organise an Info Day event aiming to address specific, logistical etc. questions related to submitting a proposal for a new KIC.
Step 3 <i>[Step 1 + 4-6 months]</i>	Evaluation Process. Proposers submit proposals.
by Q4/2014	Designation of new KICs.

* Subject to decision reached between the European Parliament and Council in the ongoing ordinary legislative procedure [2011/0387(COD)]

ANNEX V: The Current Three KICs' Ongoing and Planned Activities

- (1) Climate-KIC [<http://www.climate-kic.org/about/>]
- (2) EIT ICT Labs [<http://eit.ictlabs.eu/action-lines/>]
- (3) KIC InnoEnergy [<http://www.kic-innoenergy.com/about-us.html>]