EIT Stakeholder Forum 2014

Member State Configuration

Brussels, 11 June 2014

eit European Institute of Innovation & Technology

Welcome & Introduction

José Manuel Leceta
EIT Director

Brussels, 11 June 2014

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EIT STAKEHOLDER ENGAGEMENT

Legal Base

Amended EIT Regulation of 22 November 2013

EIT Strategic Innovation Agenda 2014-2020 (SIA)

New Requirements

Systematic dialogue and exchange

Directly engage with national and regional representatives and other stakeholders from across the innovation chain

Generating beneficial effects on both sides

Formats

EIT Stakeholder Forum

Member State Configuration

Annual Meeting with Commission Services

Workshops, expert groups, bilateral meetings

Informal contacts

EIT STAKEHOLDER FORUM 2014 – MEMBER STATE CONFIGURATION

First Edition: half-day meeting with Member State representatives

Objective: First structured dialogue - establishing relationship with nominated representatives

Timely information on pertinent issues

Identifying potential areas for **synergies and complementarities**

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The EIT and its Knowledge and Innovation Communities (KICs)

José Manuel Leceta
EIT Director

Brussels, 11 June 2014

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EIT'S VISION OF AN 'ENTREPRENEURSHIP DRIVEN IMPACT INVESTMENT INSTITUTE'

- Direct deliverables: **Breakthrough Innovations & People** contributing to European excellence and competitiveness:

  o KICs' CLCs as world-class innovation hubs working across borders.

  o leveraging entrepreneurship-driven innovation, from local to global.

- Induced deliverables: **Reinforce EIT as an Institute for Europe overall** scaling up its operations, hence critical mass and impact:

  o EIT Budapest as a knowledge pool and intelligent investor in KICs,

  o including wide dissemination of KIC novel practice across Europe.

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EUROPEAN INSTITUTE OF INNOVATION & TECHNOLOGY (EIT)

The EIT's mission is to

increase European sustainable **growth** and competitiveness

reinforce the innovation **capacity** of the EU and its Member States

create the **entrepreneurs** of tomorrow and prepare for the next innovative break-throughs

become the **catalyst** for a step change in the European Union's innovation capacity and impact

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OUR STRATEGY TO BOOST INNOVATION IN EUROPE

To seed European ecosystems where research, business and higher education come together to find sustainable solutions to societal challenges by:

- creating interconnected knowledge hubs,

- educating entre- and intrapreneurs, and

- attracting investors.

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THE EIT's 'INNOVATION FACTORIES'
Knowledge and Innovation Communities (KICs)

- highly integrated, creative and excellence-driven autonomous long-term partnerships

- internationally distributed but thematically convergent partners

- driven by societal challenges and fostering the emergence of entrepreneurs

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THE KIC MODEL (1/2)
A 'Business logic'
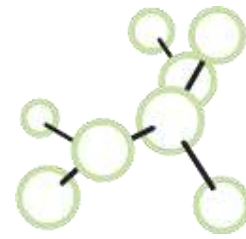
- **High degree of integration**: each KIC is an independent legal entity, gathering world-class KIC partners from the knowledge triangle based on a contractual relationship/partnership with the EIT.

- **Long-term strategic approach**: each KIC is set up for a minimum of 7 years to eventually become self sustainable.

- **Sufficient autonomy and flexibility:** to determine organisational structure and activities governed by a Board of KIC partner organisations.

- **Effective governance**: run by a CEO and a lean management team at central and co-location level.

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THE KIC MODEL (2/2)
An 'Investment logic'
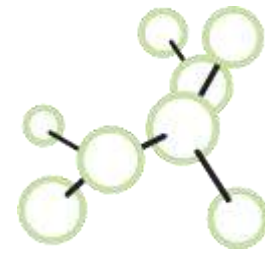
- **Smart funding & high degree of commitment of partners:** EIT funding to KICs is max. 25% of their total budget over time with 75% to be attracted from other sources, both public and private.

- **The co-location model:** each KIC consists of 5-6 world class innovation hotspots building and leveraging on existing European capacities.

- **Results & high impact oriented activities:** KICs implement a Business Plan with measurable deliverables, results and impact.

- **Culture:** KICs are shaped by strong entrepreneurial mindsets and cultures.

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EIT - FROM CONCEPT TO GROWTH

2014 onwards: EIT growth under Horizon 2020 with a budget of EUR 2.7 billion

2010 - 2013: learning by doing and set up of the EIT HQ and first 3 KICs

2006 - 2009: from idea to reality

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EIT's PRIORITIES

Fostering the growth and impact of the existing three KICs

Climate-KIC, EIT ICT Labs & KIC InnoEnergy

Creating new KICs

2014: healthy living and active ageing & raw materials

2016: food4future & added value-manufacturing

2018: urban mobility

Sharing and disseminating EIT good practices

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Consolidation of Existing KICs

José Manuel Leceta
EIT Director

Brussels, 11 June 2014

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THE FIRST 3 KICs

Designated in December 2009 by the EIT Governing Board with their governance and management set up in 2010

Climate-KIC

EIT ICT Labs

KIC InnoEnergy

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EIT ACROSS EUROPE
KICs' CO-LOCATION CENTRES

- **Climate-KIC**:
  - ▲ Co-location Centre
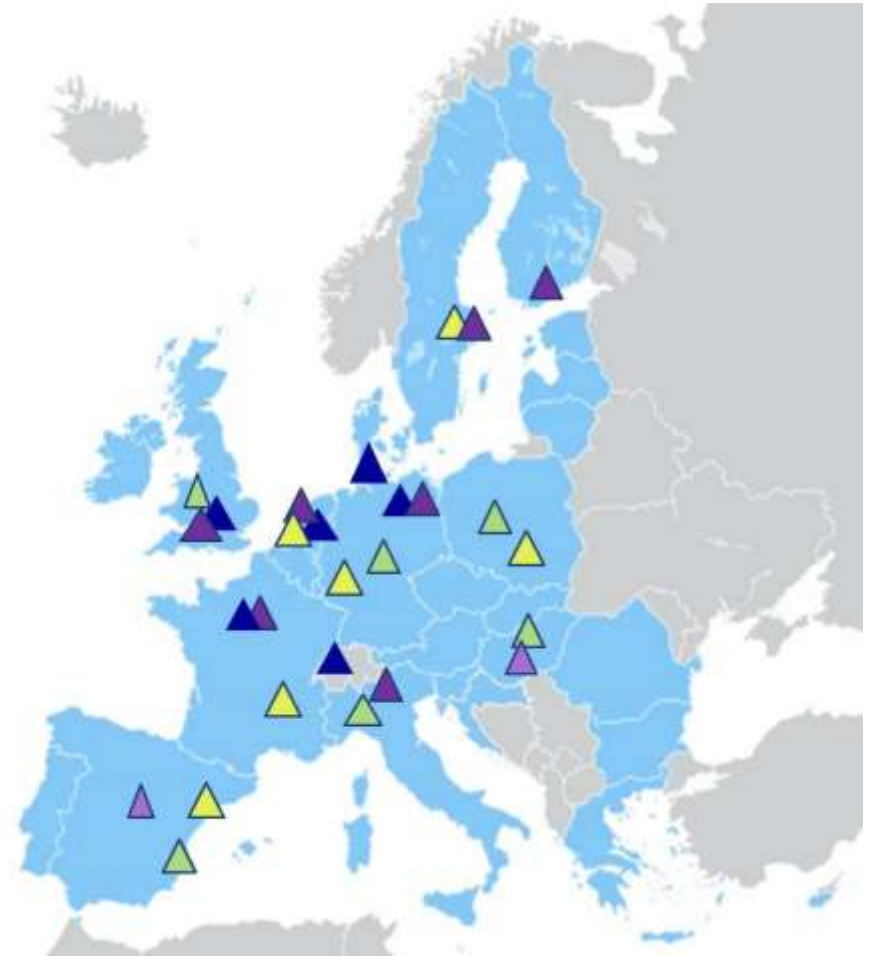 - ▲ RIC (Regional Implementation and Innovation Centre)
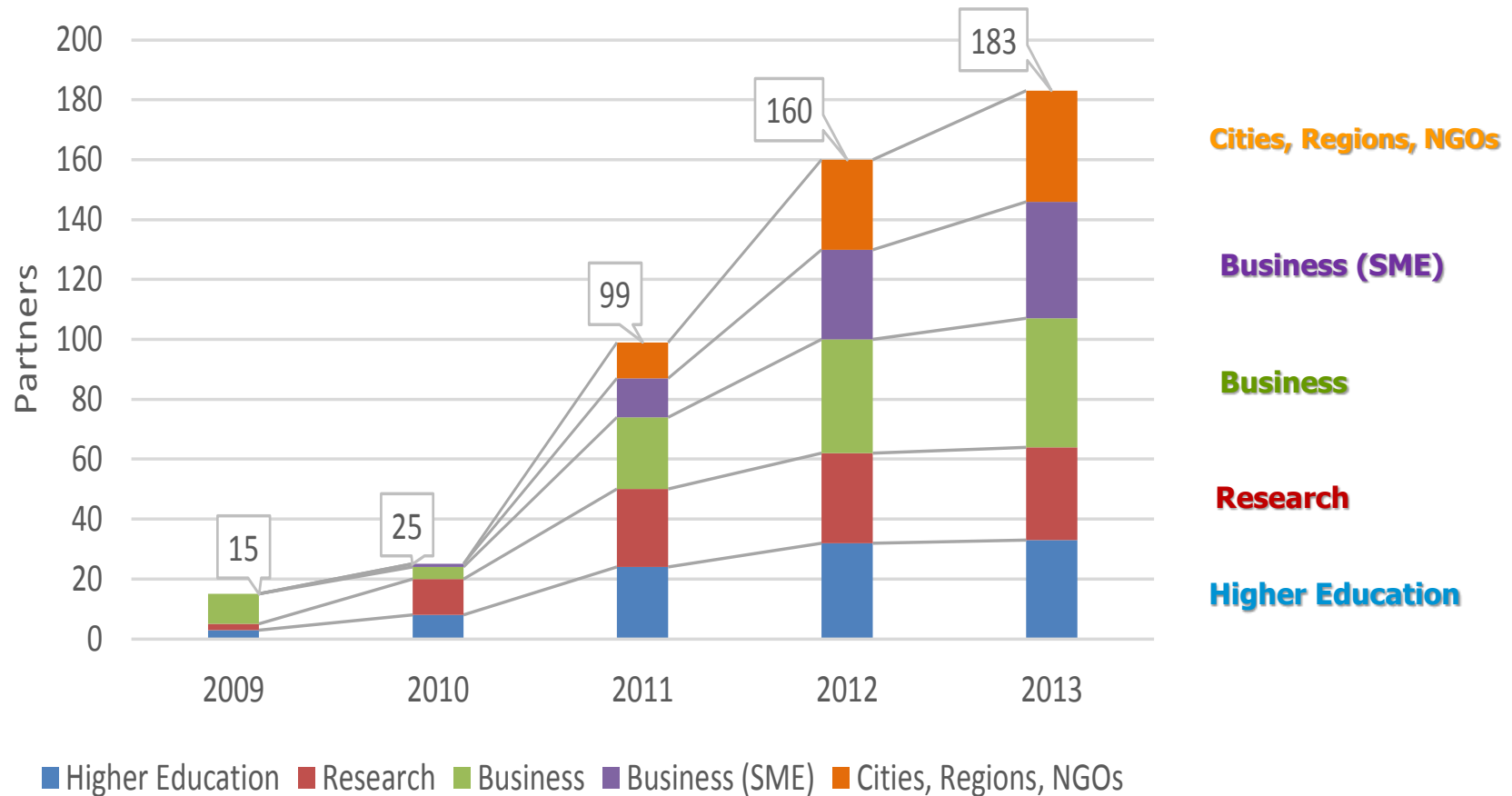
- **EIT ICT Labs**:
  - ▲ Co-location Centre
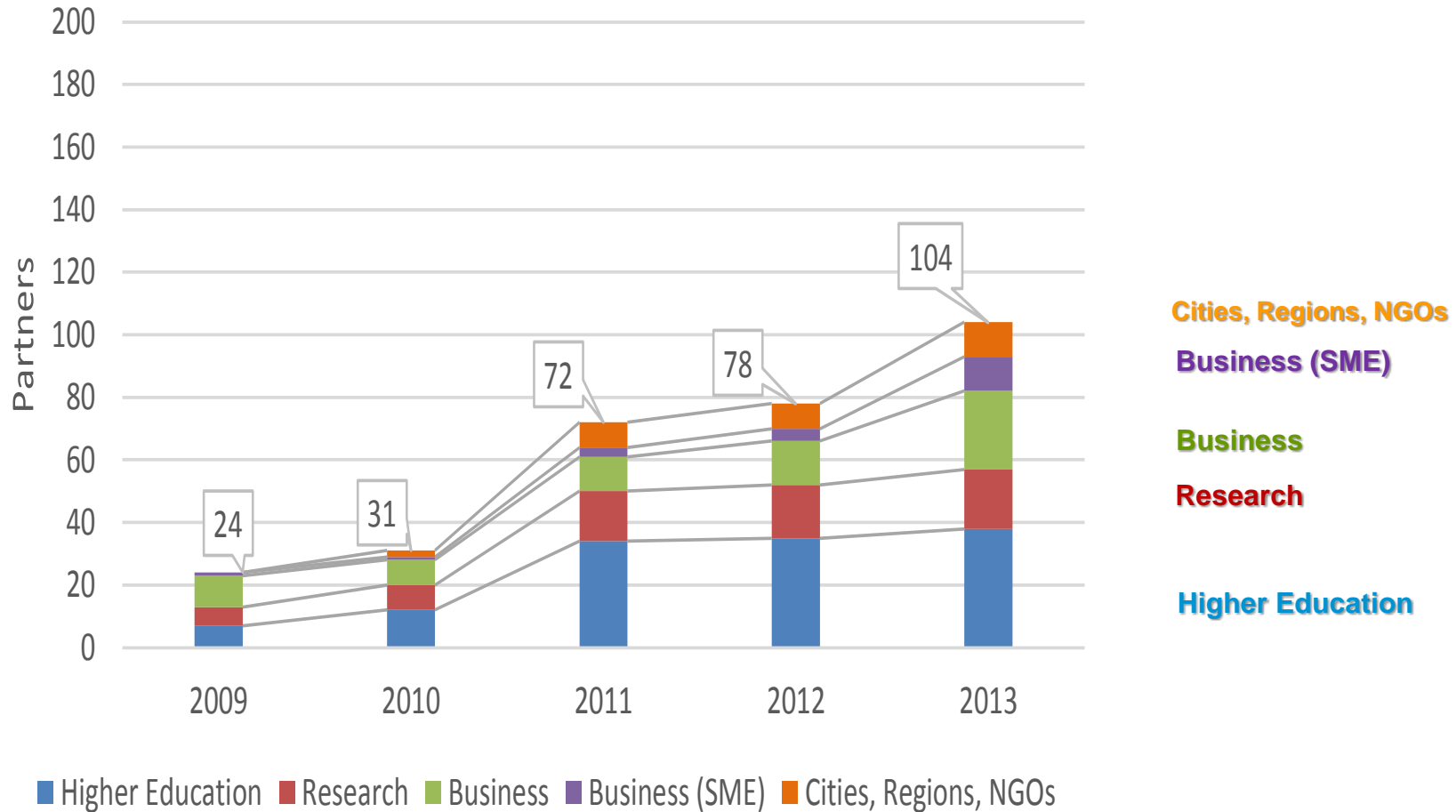 - ▲ Associate Partner

- **KIC InnoEnergy**
  - △ Co-location Centre

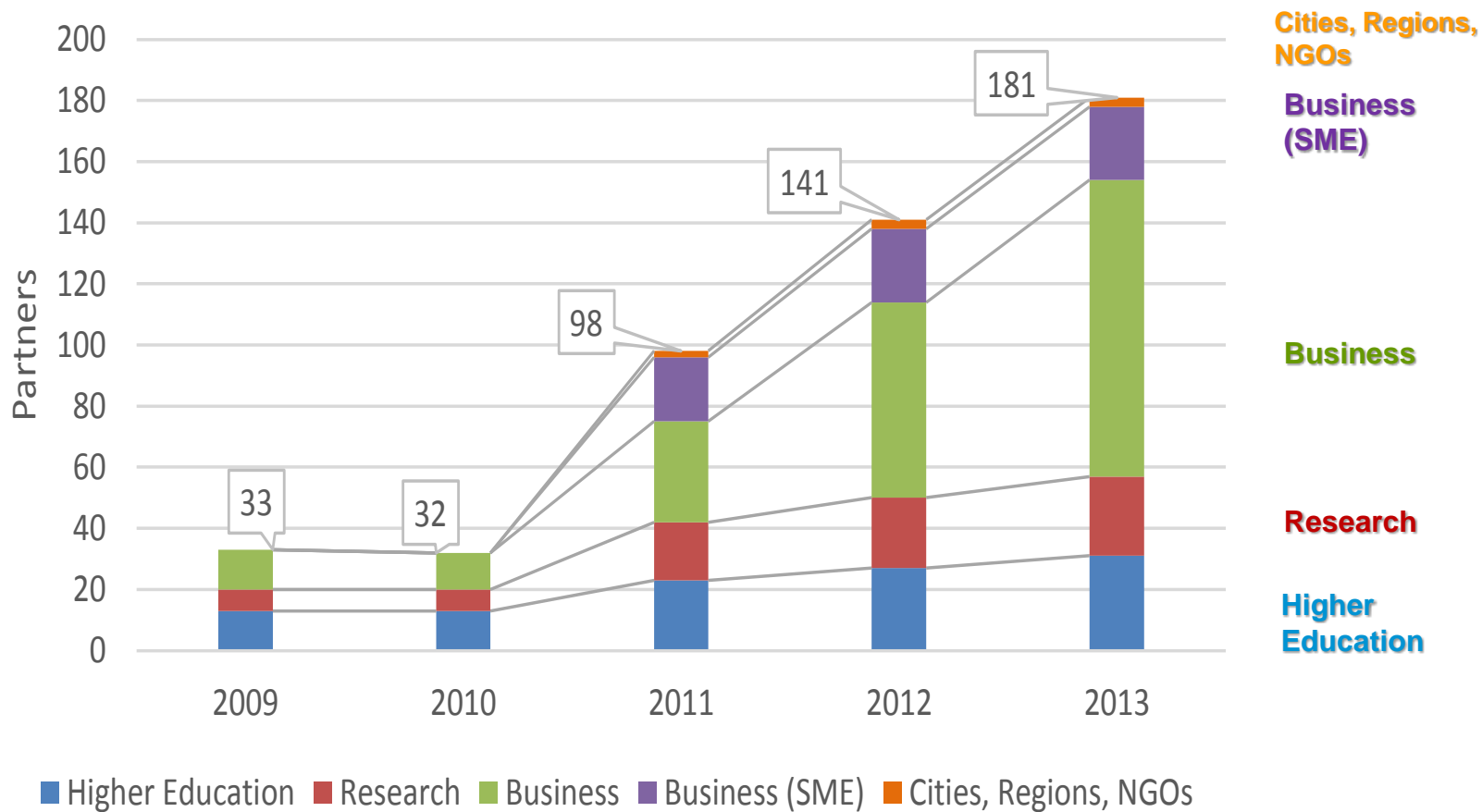European Institute of
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Climate-KIC – Partnership

EIT ICT Labs - Partnership

KIC InnoEnergy – Partnership

KPIs CLIMATE-KIC

Legend:
- 2010
- 2011
- 2012
- 2013
- 2014

Axes:
- Attractiveness of Education Programmes
- Number of new graduates
- Number of business ideas incubated
- Knowledge Transfer/Adoption
- Number of start-ups created
- New or improved products/services/processes launched

Values shown:
- Attractiveness of Education Programmes: 1
- Number of new graduates: 109, 59, 17
- Number of business ideas incubated: 320, 205, 72
- Knowledge Transfer/Adoption: 172, 82, 15
- Number of start-ups created: 109, 34, 1
- New or improved products/services/processes launched: 74, 50, 6

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KPIs EIT ICT Labs

Legend:
- 2010
- 2011
- 2012
- 2013
- 2014

Attractiveness of Education Programmes

Number of new graduates

Number of business ideas incubated

Knowledge Transfer/Adoption

Number of start-ups created

New or improved products/services/processes launched

Values shown: 58, 160, 2, 0, 8, 32, 120, 19, 9, 44, 24, 72, 250, 192

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KPIs KIC InnoEnergy

2010 - 2012 Approved, 2013 Reported, 2014 Budgeted

KPIs AGGREGATED

2010 - 2012 Approved, 2013 Reported, 2014 Budgeted

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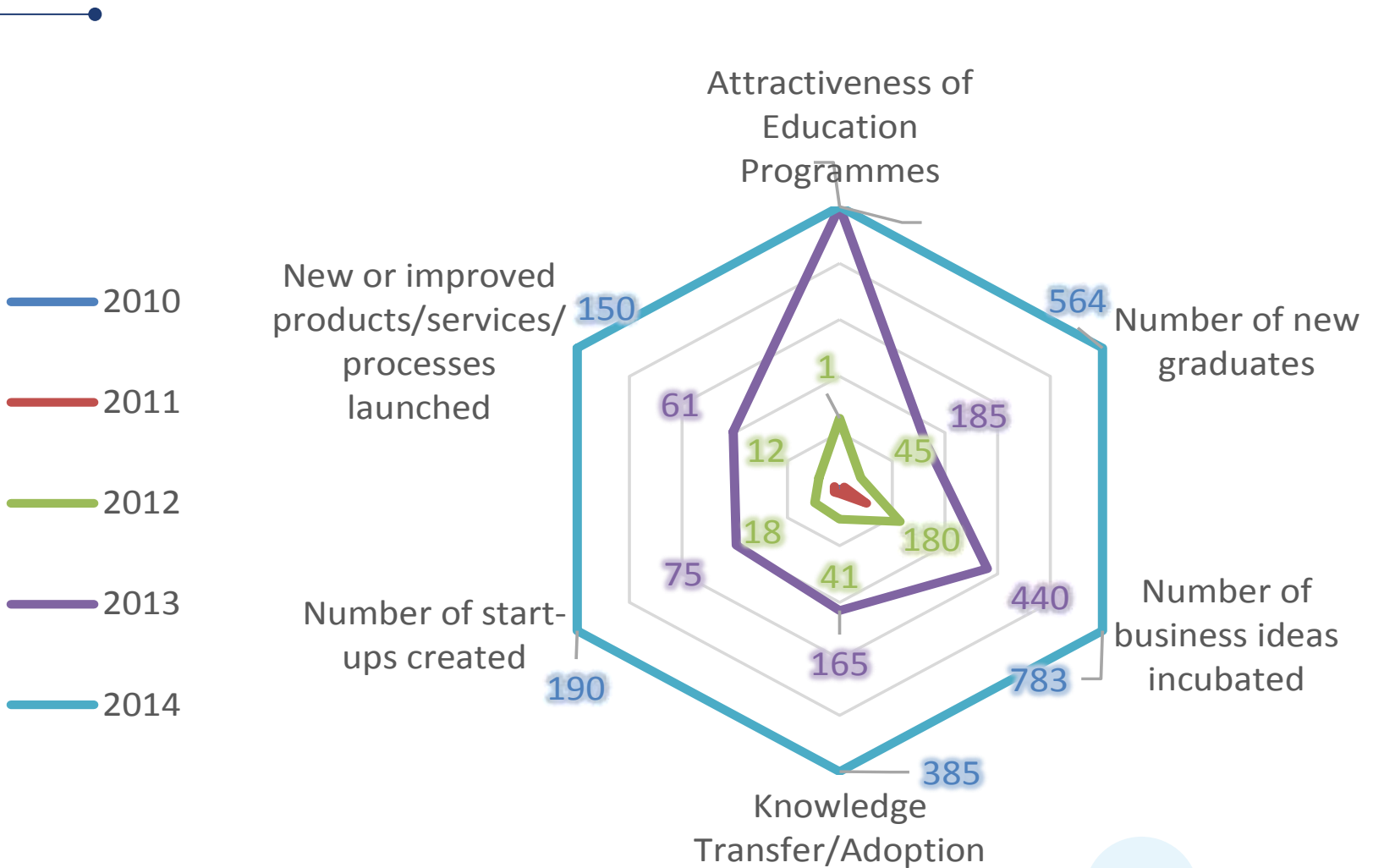
EIT ICT Labs KEY ACHIEVEMENTS

Master and Doctoral Schools involving large number of universities across Europe to deliver common programs including Innovation & Entrepreneurship education

Business Development Accelerator with the potential to provide a backbone at European level to boost business/value creation

Organization and operation of the Colocation Centres linking the local and global levels within the KIC

Systematic and consistent approach of the KIC in its outreach and ability to conclude **strategic agreements with key institutional organisations** (EIF, FI-PPP,…)

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CLIMATE-KIC KEY ACHIEVEMENTS

Strong and balanced community (more than 201 partners); involving public bodies as well as several SMEs, including set-up of a Climate-KIC alumni association

Portfolio of innovative education programmes: e.g. masters level to executive education with a strong entrepreneurship component and enhanced student mobility within the Climate-KIC.

Climate-KIC Market Accelerator i.e. innovation broker for suppliers and end-users of the solutions developed to deal with climate change.

Set-up of eight, demand-driven, **strategic Challenge Platforms,** to structure the implementation of the innovation pillar

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KIC InnoEnergy KEY ACHIEVEMENTS

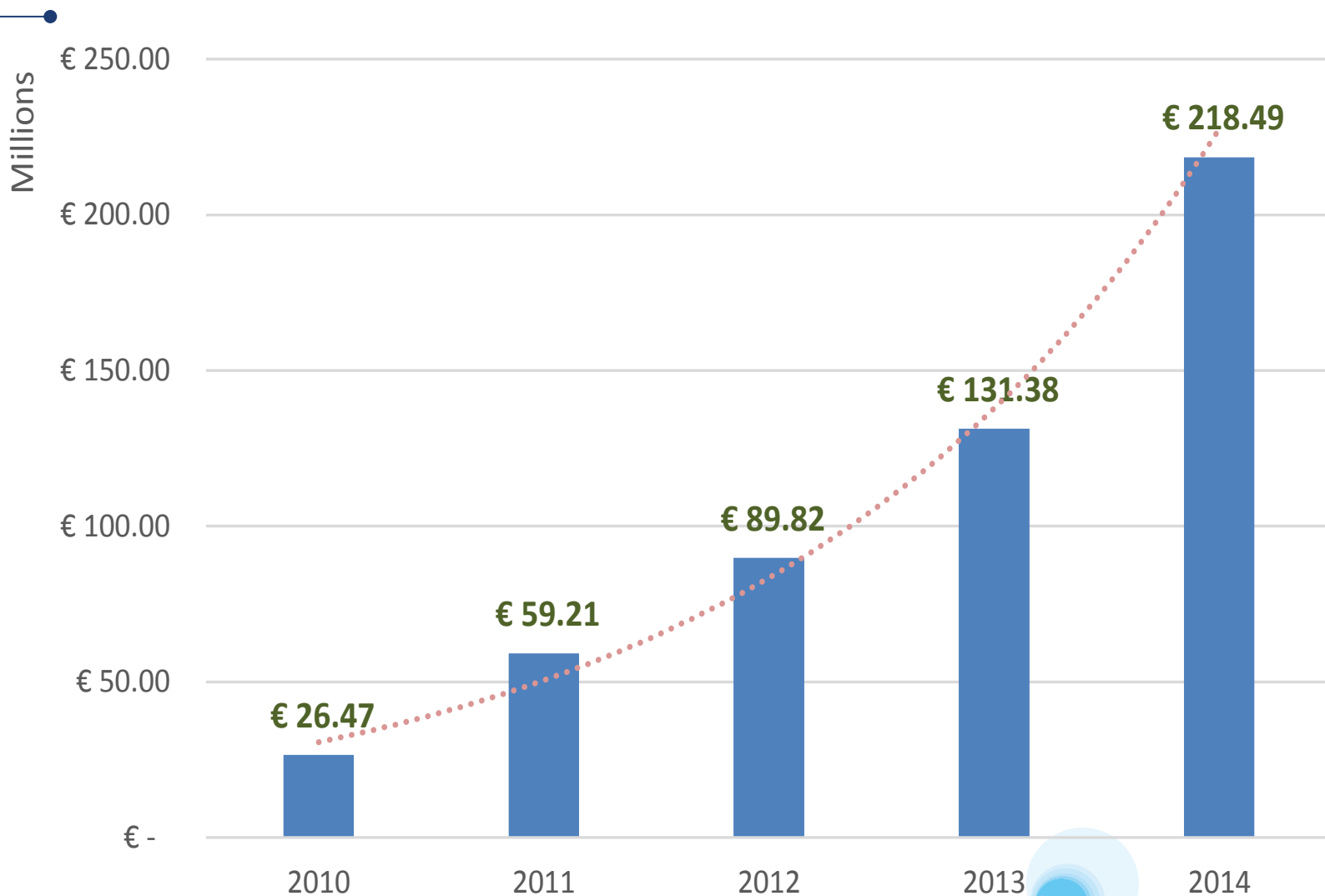**Strong involvement of major European industries** (e.g. GDF, Suez, EDF, Areva, ABB, Total France etc.)

KIC InnoEnergy Highway®, an accelerator, which building upon KIC specific features, provides technology, market, team and finance to transform an idea or venture into a business

Involvement in high level European bodies related to energy, e.g. the European Technology Platform or the Joint Research Center for energy; advising Commission DG Energy on key policy topics.

Clear strategy and plan towards financial sustainability (e.g. start-up Opendomo, specialized in research, production and distribution of intelligent control products has already reached the € 500K revenue mark)

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Grant awarded to the KICs 2010-2014

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SYNERGIES AND COMPLEMENTARITIES – EXAMPLES

Global — Climate-KIC and China Low-carbon City Project

EU
- EIT ICT Labs and Future Internet PPP
- KIC InnoEnergy and SET Plan

National — EIT ICT Labs and the Software Campus in Berlin

Regional
- Climate-KIC and the European Regions Research and Innovation Network (ERRIN)
- Climate-KIC 'Pioneers into Practice' and ERDF
- KIC InnoEnergy cluster cooperation with Capenergies and Tenerrdis

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Q&A SESSION

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Creation of New KICs

José Manuel Leceta
EIT Director

Brussels, 11 June 2014

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2014 CALL FOR KICs PROPOSALS

Innovation for Healthy Living and Active Ageing

Raw Materials: Sustainable exploration, Extraction, Processing, Recycling and Substitution

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SELECTION CRITERIA

SELECTION CRITERIA

STRATEGY	OPERATIONS	IMPACT
STRATEGIC APPROACH	**KIC GOVERNANCE**	**IMPACT AND COMPETITIVENESS**
ADDED-VALUE, INNOVATIVENESS AND SYNERGIES	**LEADERSHIP AND OPERATIONS**	**OUTPUTS (KPIs) AND KIC SCOREBOARD**
KIC PARTNERSHIP	**KIC BUSINESS MODEL AND FINANCIAL PLAN**	**COMMUNICATION OUTREACH DISSEMINATION**

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SIMPLIFIED SELECTION PROCESS

Eligibility check

Final Recommendation Panel

9 December 2014

10 September 2014 – Deadline for submitting proposals

Panel of Experts

EIT GB Hearings with top three proposals

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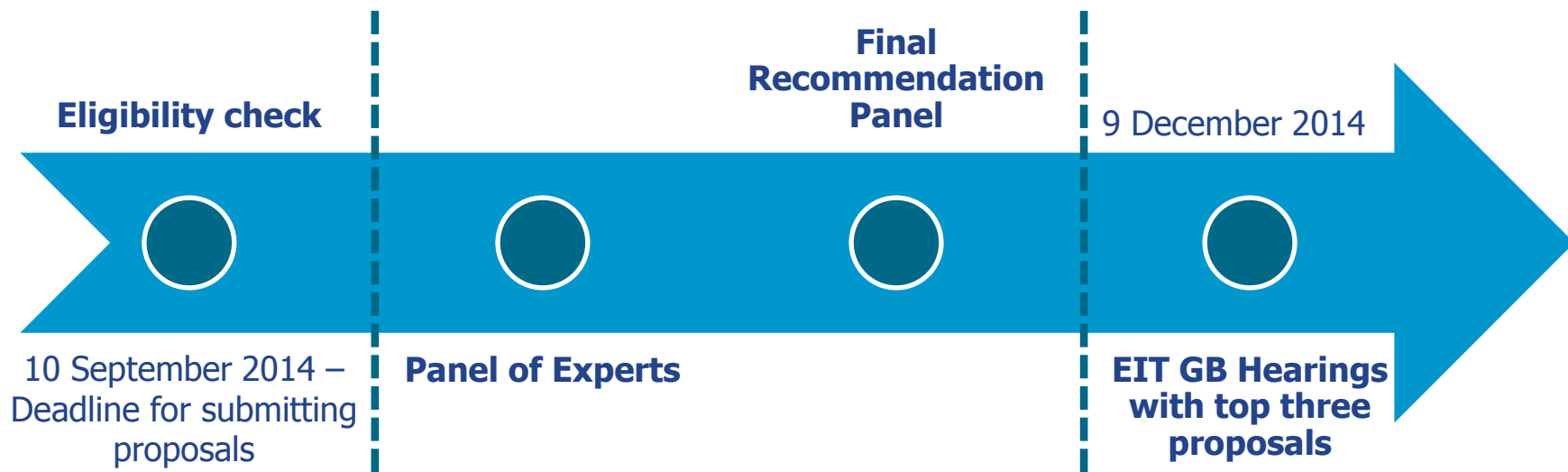
PANEL OF EXPERTS

✓ The evaluation of proposals will be carried out by panels of **independent external experts,** five per thematic area (three thematic and two horizontal experts)

✓ Experts will evaluate proposals against the **selection criteria**

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FINAL RECOMMENDATION PANEL

✓ Will prepare a **Report** to the EIT Governing Board containing an **overview**, including strengths and weaknesses, of the three highest-ranked proposals per thematic area

✓ Will make **recommendations** on the way in which these proposals may need to be improved and/or strengthened

The panel will be composed of three high level and renowned experts plus a rapporteur

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DESIGNATION

- ✓ Hearings with representatives from the **three highest-ranked** proposals from each thematic area

- ✓ Hearings will take place at the EIT premises in **Budapest** on **9 December 2014**

- ✓ Designation of **one KIC** per thematic area

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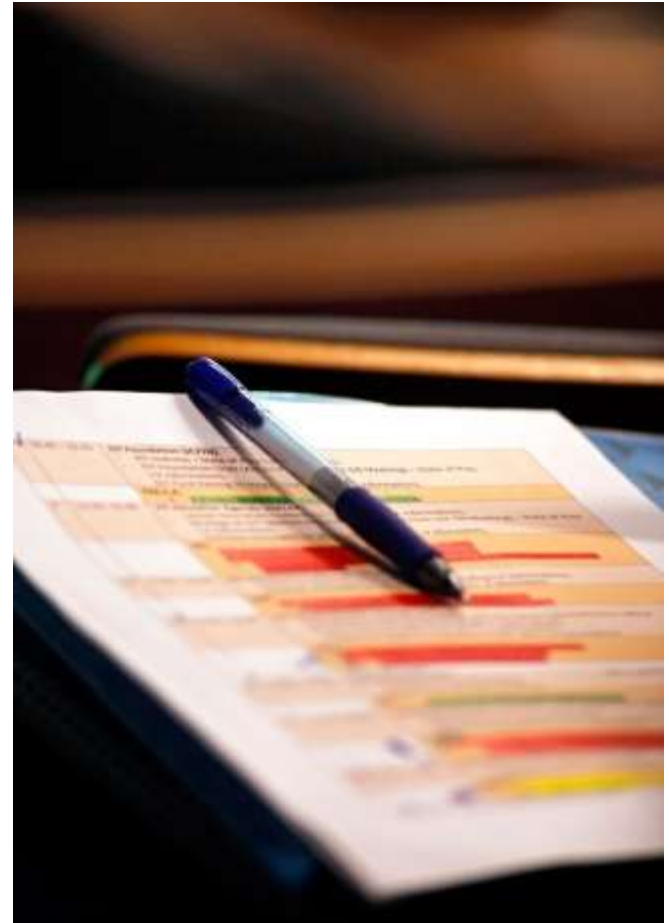
2014 CALL FOR KICs PROPOSALS – SUMMARY KEY DATES

Key Dates	Milestone
14 February 2014	**Launch of the 2014 Call for KICs Proposals**
14 March 2014	**Information Day in Budapest**
10 September 2014	**Closure of the 2014 Call for KICs**
September - November 2014	**Evaluation of proposals with the assistance of external experts**
9 December 2014	**GB Hearings with representatives of shortlisted proposals**
December 2014	**Designation of the new KICs by the EIT Governing Board**

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Creation of New KICs

Financing for Impact

Dávid Tas
Finance Officer

Brussels, 11 June 2014

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SMART FUNDING

Put existing and new resources to work for innovation

Leverage and Pooling
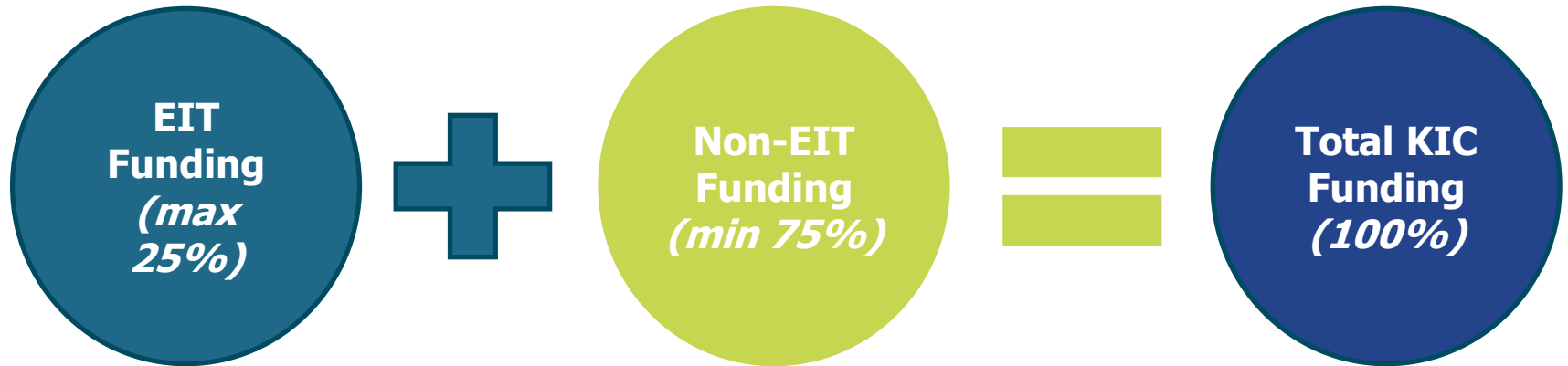
Financial sustainability

Built-in sustainability

One goal: impact

Support and incentives

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LEVERAGING AND POOLING RESOURCES

EIT Funding (max 25%) ➕ **Non-EIT Funding (min 75%)** ➡ **Total KIC Funding (100%)**

Combining EIT and non-EIT funding to:

- Ensure **long-term involvement** of KIC partners
- Incentivise **financial commitment** from KIC partners
- **Catalyse** for investment in innovation

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FINANCIAL SUSTAINABILITY

Setting-up   **Development**   **Achieving financial sustainability**   **Financially sustainable**

- Gradual **reduction of dependence** from EIT funding over time

- **Integral objective** of a KIC's business model

- Essential in **mobilising** other funding sources

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PROVIDING SUPPORT AND INCENTIVISING PERFORMANCE

Support

- Contributing to a KIC's long-term strategy

Competitive

- Rewarding performance and ambition in the short-term

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ENGAGING WITH THE EIT: CONTRACTUAL RELATIONS BETWEEN EIT & KIC

- The long-term cooperation between the EIT and each KIC will be formalised within a seven-year **Framework Partnership Agreement (FPA)**

- The EIT may award grants to a KIC through specific **Grant Agreements (GA)** under the FPA

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ENGAGING WITH KICs: CONTRACTUAL RELATIONS BETWEEN EIT & KICs

KIC

EIT

Framework
Parternship
Agreement

Grant
Agreements

KIC
Legal
Entity

Internal
Agreements

KIC Partner

KIC Partner

KIC Partner

KIC Partner
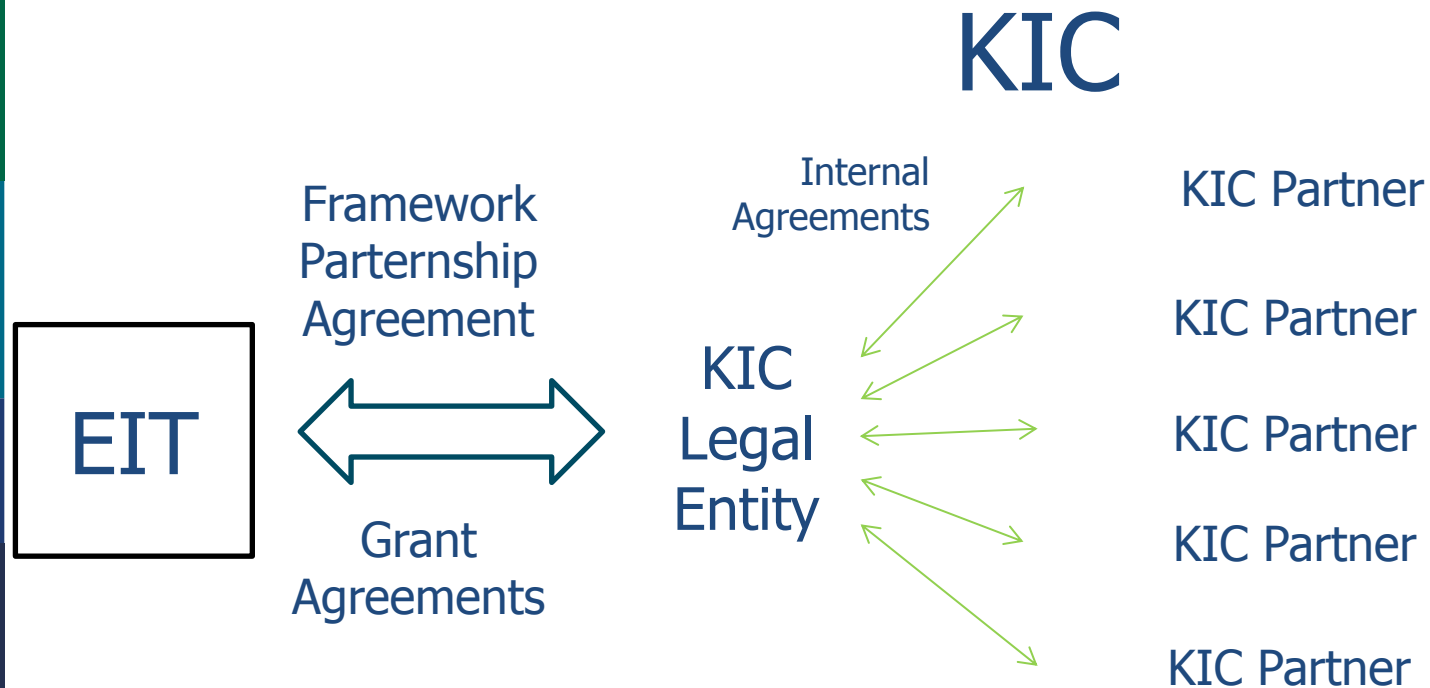
KIC Partner

*The long-term cooperation between the KIC and the KIC partners must be formalised through **Internal Agreements***

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HOW TO GET FUNDING?

Seven-year Framework Partnership Agreement (FPA) implemented through **annual funding decisions**

EIT defines annual criteria for funding

Q1

KIC submits Business Plan

Q3

KIC prepares Business Plan

Q2

EIT decides on funding to KIC

Q4

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THE BUSINESS PLAN – KEY ELEMENT AND BASIS FOR FUNDING DECISION

Implementation of KIC's seven-year strategy

Description of planned portfolio of activities

Setting targets, deliverables and KPIs for each KIC added value activity

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KIC ACTIVITIES

KIC ACTIVITIES = **KIC ADDED VALUE ACTIVITIES** + **KIC COMPLE-MENTARY ACTIVITIES**

Portfolio of **activities** from:

- *Education*
- *Research and Innovation*
- *Entrepreneurship*

- Contributing to the **integration** of the **knowledge triangle** and the **overall objectives** of the EIT

- Establishment, administrative and coordination activities

- May be financed **up to 100%** by the EIT

- Having a **clear and described link** with at least one KIC Added Value Activity

- **Not financed** by the EIT

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SUMMARY

1. **Smart funding** model promoting impact in the short, medium and long-term

2. Leveraging and pooling **resources towards innovation**

3. Multi-annual nature implemented through **annual funding decisions**

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Creation of New KICs

Principles for Monitoring KICs

Romain Muller
KICs Project Officer

Brussels, 11 June 2014

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MONITORING THE KICs FOR IMPACT

Identify opportunities
to improve operations

Continuous

Adaptive

Built-in flexibility

No two KICs are the same

Bespoke

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MULTI-LEVEL MONITORING FOR IMPACT

Strategy Review

Aimed at assessing the **Knowledge Triangle integration** and **Activity Portfolio Management** of a KIC

Activity Review

Aimed at assessing **Inflow and Output** for key activities

Performance Measurement System

Aimed at assessing **Output and Impact** for all activities

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PERFORMANCE MEASUREMENT SYSTEM AT KIC LEVEL

KICs record data related to 2 sets of Key Performance Indicators (KPIs):

EIT Core KPIs = EIT Scoreboard

KIC Specific KPIs = KIC Scoreboard

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HOW TO CONTRIBUTE TO THE EIT SCOREBOARD?

KPIs common to all KICs

Attractiveness of Education Programmes

Number of new Graduates

Knowledge Transfers/Adoptions

Number of business ideas incubated

New or improved products/services/processes launched into the market

Number of Start-Ups or Spin-Offs created

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HOW TO BUILD YOUR OWN KIC SCOREBOARD?

Select the most relevant KPIs to monitor the implementation of your strategy on a multi-annual basis, to achieve desired impact.

- **At proposal stage**: define KPIs and targets to quantify impact

- **Once established and operational**: KPIs reporting

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SUMMARY

- ✓ **Smart Monitoring** to incentivize high quality results, innovation excellence, and an efficient use of resources

- ✓ **A multi-layer approach** to assess results, added-value and impact of the KICs

- ✓ **Performance Measurement System at KIC level** to quantify the planned output/impact and monitor progress

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Q&A SESSION

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DISSEMINATION & OUTREACH

Active **sharing of learnings, novel practices and results** which emerge from EIT/ KIC activities with stakeholders across the European Union and beyond

➤ through a wide range of communications, dissemination and outreach tools:

Publications · EIT Website · Social Media · EIT Conferences · EIT Awareness Days · EIT Regional Innovation Scheme

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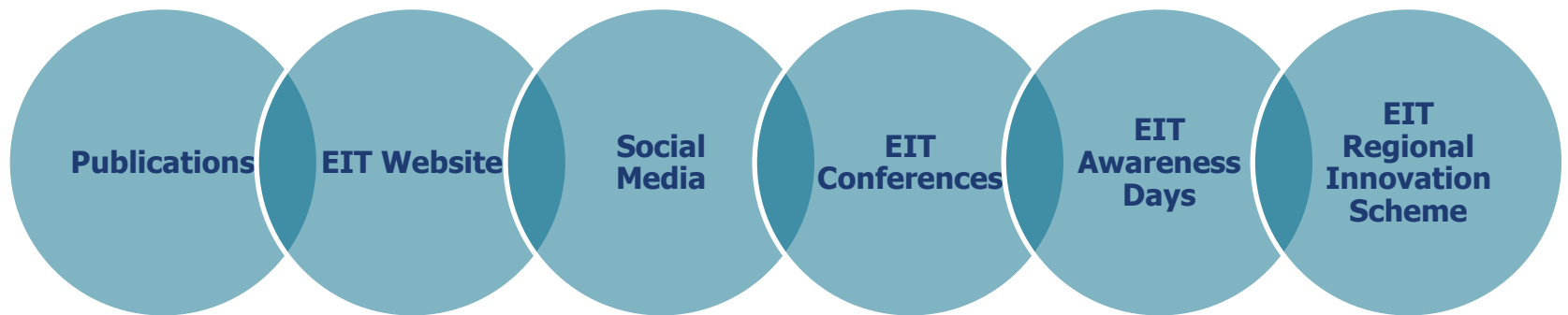
EIT REGIONAL INNOVATION SCHEME (RIS)

➢ Structured outreach scheme aiming at increasing the innovation capacity in regions not directly benefitting from the EIT and its KICs

➢ Based on a two-way engagement between KICs and selected partnerships from the wider European innovation community

➢ Based on key principles:

Coherent and structured outreach scheme

Excellence

Thematic alignment

Voluntary and autonomous implementation by KICs

Openness and transparency

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EIT REGIONAL INNOVATION SCHEME (RIS)

Activities:

- Ensuring the flow of both knowledge and people between KICs and selected partnerships,
- Integral part of operations and designed by KICs.

Benefits:

- KICs: influx of talent and ideas,
- Selected EIT RIS partnerships: exchanging knowledge and good practices as well as enhancing the regional innovation system,
- Individuals: apply and gain knowledge and expertise.

Funding:

- Selected EIT RIS partnerships will primarily use "other sources" of funding such as national and regional funding.

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EIT AWARENESS DAYS

Targeted EIT outreach activity following a request by an EU Member State or a country associated to H2020

Objectives:

- Enhance understanding by key national stakeholders about the EIT and its KICs
- Increase participation in EIT activities and initiatives
- Share good practices and learnings

Concept:

- Driven and organised by national stakeholders (i.e. Member State governments and/or multiplier organisations from academia, research, business)
- Content provided by the EIT and its Knowledge and Innovation Communities (KICs)

Outreach Activities
CLIMATE-KIC

Activities:

- Expansion of the Climate-KIC network into Member State relationships

Benefits:

- Developing ways to better meet ERDF priorities/ clear resonances with COSME;
- Climate-KIC partners in the regions have direct responsibility for developing and managing parts of their smart programmes for 2014-2020;
- They are particularly well-positioned to align Climate-KIC strategies and resources with those of the region's policy and needs.

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Outreach Activities
EIT ICT Labs

Activities:

- Dissemination and promotion of EIT ICT Labs' activities in European countries that are not yet covered by the existing nodes as well as support to existing local eco-systems.

Benefits:

- Connecting X-Europe regional innovation clusters and representative organisations (companies, universities, research institutions, start-ups, incubators, accelerators) to the KIC;
- Scholarship schemes supporting talented ICT students from those countries/ regions to join the EIT ICT Labs Master School.

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Outreach Activities
KIC InnoEnergy

Activities:

- Creating linkages with European Commission (DG REGIO) in order to complement the Operational Programmes of the 144 Regions (KIC InnoEnergy is currently targeting six of them);
- Supporting the regions to leapfrog to excellent nodes for innovation.

Benefits:

- Identification and support of excellent players (universities, research facilities and energy companies);
- Dissemination of the efficiency gains of the Knowledge Triangle integration;
- Co-creation of innovative activities.

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DISSEMINATION PRACTICES

First examples of dissemination of its results and impact through the exchange of good practice.

➢ EIT 2012 Publication:

Catalysing Innovation in the Knowledge Triangle: Practices from the EIT Knowledge and Innovation Communities

➢ EIT 2013 Publication:

Analysis of potential synergies fostered by the European Institute of Innovation and Technology (EIT) in the EU innovation landscape

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EIT WEBSITE & SOCIAL MEDIA

EIT CONFERENCES

EIT Conference '**Good Practices and Learnings: linking business, research and higher education**' held in Copenhagen on 25-26 June 2012

EIT Conference '**Fostering Innovation and Strengthening Synergies within the EU**' held in Dublin on 29-30 April 2013

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Q&A SESSION

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EIT Stakeholder Forum 2015

- Integrated in a larger EIT event with possibility to meet the EIT Community incl. existing and newly established KICs, EIT Award Winners, EIT Alumni etc.;

- In May 2015 bringing together the wider stakeholder community in Budapest (HU);

- Representatives of the EU Member States will meet in a separate meeting;

  - To inform inter alia on the lessons learnt from the launch of the 2014 call

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THANK YOU FOR YOUR ATTENTION!

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