



Annual Work Programme

2012

Adopted by the EIT Governing Board on 1 December 2011

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I. Mission and Vision

The EIT's mission, as set out in the EIT Regulation, is to contribute to sustainable European economic growth and competitiveness by reinforcing the innovation capacity of the Member States and the European Union. It is tasked to do this by promoting and integrating higher education, research and innovation of the highest standards.

The EIT is implementing this mission by promoting that the various actors of the Knowledge triangle (research, education and business) are effectively linked to one another and integrated within a close-knit framework, its so-called Knowledge and Innovation Communities (KICs) – of which the EIT has established three to date: Climate-KIC, EIT ICT Labs and KIC InnoEnergy.

These independent legal entities are part-financed by EIT grants and must fulfil minimum requirements as to both physical and subject-matter integration. In so doing, the EIT is also a driver of novel policy agendas, particularly in the fields of education, entrepreneurship and world-class innovation, which are being developed jointly with the KICs. These will in the long term have application throughout the European Union and beyond by serving as a reference point and example through good practice learning and dissemination.

Underlying all of the EIT's activities is the aim of encouraging and facilitating innovative approaches in the creation of ecosystems favourable to entrepreneurship-driven innovation while addressing society's Grand Challenges. In applying itself to this aim in a unique and innovative manner, the EIT's vision is to ultimately become a true impact investment institute driven by entrepreneurship thereby benefiting Europe-wide stakeholders and citizens.

II. Challenges and Developments

A. Challenges Facing the European Union

The EIT was established to address pressing challenges currently facing the European Union. Whilst the economic crisis is still significantly affecting growth and employment throughout the Member States, the EIT's mission is more pertinent than ever. Europe is lagging behind other nations in terms of its innovation capabilities, but more importantly in terms of innovation impact linked to missing entrepreneurs and business creation and growth.

The EIT seeks to ensure that innovations not only occur, but that they are driven by the entrepreneurial spirit that will transform them into products and services for which there is a genuine need not only in Europe but on global new markets. The results are therefore manifold: an increase in innovation will not only create jobs and growth, but by channelling innovation in emerging areas which are themselves intended to address Grand Societal Challenges, these innovations will help turn them into opportunities for long-term wellbeing and employment.

The first three KICs set up by the EIT to date address Climate Change Adaptation and Mitigation (Climate-KIC), Sustainable Energy (KIC InnoEnergy) and Future Information and Communications Technology (EIT ICT Labs). By energizing each of these communities as well as fostering synergies across and codifying good practice, the EIT wants to contribute to the revitalisation of more traditional European innovation approaches.

B. Challenges Facing the EIT

Following the signatures of grant agreements in 2010, 2011 was the first full year of implementation of KIC activities and the first full year of an operational EIT Headquarters in Budapest. The EIT' task for 2012 must be to move from the initial start-up phase to consolidate itself as an institute that can build upon the first results as well as the knowledge and experience acquired to create clear impact on the innovation landscape.

Noticeable impact is not only dependent on a successful model and effective implementation thereof: it must be rolled out on a sufficiently large scale and subsequently extrapolated and spread in order to achieve the necessary critical mass. On the other hand, good practices within the three running KICs need to be identified, codified and disseminated in line with the European remit of the EIT, as it is to work closely with the KICs to provide tangible benefits beyond participating partners, thereby creating spill over effects for Europe and its citizens.

The EIT has set out its vision and strategy for achieving the above in its draft Strategic Innovation Agenda (SIA), submitted to the European Commission on 15 June 2011. In its SIA, the EIT illustrates its ambitions and goals, including suggestions for future KICs. However, the future impact of the EIT will largely be determined by the financial perspectives. . The final SIA will undergo the co-decision institutional procedure, which will determine its ultimate scale and critical mass. Underpinning the number of KICs is the available budget to the EIT 2014-2020 and the conditions attached.

C. Recent Structural Developments at the EIT

1) Governance

2011 was a year of changes for the EIT: in July, its Director Jose Manuel Leceta started his term of office and in September, entrepreneur Alexander von Gabain took over the Chairmanship of the EIT Governing Board (GB), to become responsible for the overall steering and strategic direction of the EIT to implement the Governing Board's ambition to turn the EIT into a true 'impact investment institute'. The Director's three-fold role encompasses in particular the administrative and financial management of the EIT, as well as acting as its legal representative for KIC operations and helping advance the EIT GB strategies.

Mr. Leceta has aligned the organization of the EIT Budapest team in pursuit of the Director's roles and goals to consolidate the EIT into an 'intelligent Headquarters' which can act in an effective, efficient and creative manner to implement the visions and ambitions envisaged by the Governing Board.

As a result of this renewed vision and drive, key priorities and actions have been set to carry the EIT into its next growth phase by strengthening and maturing its planning on the one hand, and its relationships with the KICs on the other as well as to leverage good practice, in order to enable the EIT to meet its ambitious goals in responding to Europe's needs.

2) Operations

Fundamental for the EIT's overall success is a solid working relationship between the Budapest team and each of the three KICs, as well as a mutual understanding of activities, operations and objectives. In order to facilitate regular dialogue and exchange of ideas, an 'EIT Forum' has been established, which consists of regular meetings between the EIT Director and each of the KIC CEOs (including Governing Board members, Commission representatives as and when appropriate in providing strategic perspectives).

The EIT Forum offers a structured dialogue, above all, to develop a number of common policies in areas of shared interest, thereby fostering a strong EIT corporate identity and culture as well as to tackle operational priorities by joint planning of business processes and solutions. In order to cover all strategically important issues, operational-level Task Forces which report to the EIT Forum on Communication, Performance Monitoring/KPIs, and Finance have been set up.

III. Objectives

A. Objective No. 1 – Focusing and Strengthening the EIT to Roll-out EIT Strategy in Preparing for the Future

The outcome of the institutional dialogue with Council and Parliament based on the European Commission's legislative proposal on the future of the EIT and the content of these legislative measures will drive the future of the EIT beyond 2013. It is therefore key for the EIT to consolidate its position within the EU innovation landscape by scaling up the implementation of its strategy. In so doing, consolidating procedures and organizational learning are clear priorities for 2012.

B. Objective No. 2 – Leveraging the Impact and Good Practices of KICs' Operations

One of the EIT's key objectives is to build upon the KICs' successes to date and to ensure that the impact and good practices that have been identified and achieved are not only shared between KICs but also disseminated within the wider innovation community at European level. In this way, the EIT will not only improve the effectiveness of its activities by facilitating a learning and developing process between KICs. It will also leverage overall impact by publishing and sharing the results to a wider audience, in order to start serving as a reference model, thereby reflecting its mission as a fully fledged Institute working for Europe and its citizens.

C. Objective No. 3 – Raising the EIT's Visibility and Awareness

As the KICs and the EIT consolidate their operations and first conclusions are drawn in terms of good practices and impact is progressively visualised and demonstrated, it is vital that these results are disseminated and publicised in order to build upon and showcase the readiness and full potential of the EIT and its KICs. This will be achieved on the basis of the various strategic outreach activities building upon the strengthened EIT and its activities carried in pursuit of Objectives 1 and 2 above. Thus, a number of new activities will be added to existing ones, thereby reinforcing the portfolio of awareness actions undertaken by the EIT.

IV. Activities Related to the Objectives

A. Activities related to Objective No. 1 – Focusing and Strengthening the EIT to Roll-out EIT Strategy in Preparing for the Future

O1.1 – Supporting the GB

The EIT's Intelligence Unit is tasked with the overall support to the Governing Board both upstream, in terms of facilitating its decision making and providing the infrastructure and input for the development of strategic goals, and downstream, by implementing, further developing and rolling-out the goals thus defined.

The Policy Support Team, in close cooperation with the relevant functions at Directorate level, provides the strategic advice and support to the Governing Board on its entire portfolio of activities. This manifests itself in particular in the coordination of regular Governing Board meetings, at which

strategic priorities for the upcoming period are determined, in providing strategic advice and follow-up throughout the year, and in developing the relations with Board members.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget, in EUR
Organising GB meetings	Throughout the year	4 regular meetings per year, of which 2 extended meetings 'Summer Workshop' and KIC Hearings'	Attendance of meetings, strategic decisions taken	N/A
Providing strategic advice, supporting GB activities	throughout the year	Strategic papers, briefings, minutes, accompanying to meetings	strategy developed and implemented	N/A
GB Spring workshop including KIC CEOs	June	Issues identified at an early stage and tackled jointly	Effectiveness of the workshop, number of issues tabled and solved	10 000
Adopting new GB composition	September	New GB composition following expiration of term of 12 GB members	effectiveness of governance model	N/A
Strengthening relations with the EIT Foundation	throughout the year	Coordination between EIT and EITF activities	attendance of Working Group meetings, complementary activities launched, effective coordination	N/A

Note 1- The organisational cost of GB meetings is budgeted in the administrative budget.

O1.2 – Fostering Education and Entrepreneurship

The EIT is currently focusing on two cross-KIC agendas: education and entrepreneurship (to be complemented over time by a third focus area: world-class innovation). The dedicated Cross-KIC Agenda Team of the Intelligence Unit deals with these overarching topics by further developing the goals of the EIT in terms of fostering an entrepreneurial mindset and by developing the promotion of such a spirit in Higher Education institutions. To this effect, several events are being launched by the EIT including an Entrepreneurship Award and the EIT Roundtable of Top-Entrepreneurs, while meetings, information exchange and workshops are regularly organised with the KICs. The EIT in 2011 developed, jointly with the KICs, the quality criteria underpinning the EIT label that will be attached to certain post graduate degree programmes offered by KIC partner higher education institutions. Focus for 2012 will be the implementation of this label, as well as a robust quality assurance system.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget, in EUR
Securing the EIT label	January - June - December	Finalisation and start of implementation of quality assurance and learning enhancement process	Suitable model ready for implementation	N/A
Further develop strategic contacts with education stakeholders and member states	January - December	Organise 5 meetings in Budapest	Strategic contacts enhanced	3 000
Development of an internationalisation strategy for EIT education and start strategic collaboration with international partners	January - June - December	Internationalisation strategy developed	Internationalisation strategy developed	N/A
Coordination with EIT Foundation regarding education activities	January - December	Participation in relevant EITF working group and provision of information on KIC education activities	Aligned EIT/EITF education activities	N/A
Organisation of EIT-KICs education working group meetings	January - December	Well prepared and structured collaboration with KICs to further EIT/KICs education agenda	8-10 meetings organised	5 000
Further develop the EIT education agenda	January - December	Developing additional EIT education activities in line with SIA	2-3 additional activities specified	N/A
Entrepreneurship and education experts	January - December	Recruitment, contractual and administrative coordination and assignments of entrepreneurship and education experts	Deliverables reviewed and payment executed	110 000
EIT Round Table of Top Entrepreneurs and HQ	July	Organise the first RT meeting and mentoring/ face-to-face meetings for the Award winners; back-to-back with a high-level EIT conference	Increase visibility on the EIT Entrepreneurship activities through support from renowned entrepreneurs	60 000
Knowledge sharing and developing best practices in entrepreneurship and education in KICs	2 nd half of the year	4 KIC cross-learning workshops per year; Bilateral KIC/CLC consultations; incl. strategic and operational expert advice	Quality and usability of ideas/actions jointly developed	6 000

O1.3 – Enhancing Structured Collaboration with KICs

The overall success of the EIT concept rests on close collaboration and cooperation between its various actors, in particular regular, structured and comprehensive dialogue between the Director team and the KICs. This dialogue will allow for issues to be identified at an early stage and to be tackled jointly, and will improve overall visibility as to the results and successes of each of the legal entities involved. Additionally, it will ensure that joint approaches and strategies are developed and that an objective standard for measuring success is introduced.

To facilitate higher quality exchange, the EIT Forum was set up. This Forum brings together subject-specific Task Forces at the operational level and ensures that the KIC CEOs regularly meet with the EIT Director and other relevant facilitators. Additionally, the EIT Headquarters is providing each of the KICs with office space in its premises in Budapest to further foster the spirit of cooperation, opening the door also to potential joint research and studies with their partners.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget, in EUR
EIT Forum and task forces	January-December	1 meeting/year/EIT Forum and 4 meetings/year/task force, refined EIT Scoreboard; proposed amendments to the FPA and GA	Level of KIC participation; number of proposals tabled to the Forum	39 000

O1.4 – Preparing for New KICs and KICs Grant Agreement for 2013

The EIT has established three KICs to date; each set up as a separate legal entity that focuses on a different priority area, namely three of the 'Grand Societal Challenges': climate change adaptation and mitigation, the future of information and communication society and sustainable energy. With the aim of reaching a critical mass of KICs and contributing to the large-scale impact which the European Union needs, the EIT has put forward a proposal for new KICs in its draft Strategic Innovation Agenda.

In order to prepare for the selection of new KICs and to generate as many excellent proposals as possible, it will dedicate an event organised under the auspices of the Cypriot presidency to the purpose of discussing and preparing for the next call for KICs. In parallel, as regards its internal preparations, the EIT will need to set in motion the process of an Open Call and put into place a robust and transparent selection procedure, leaning on expert advice where necessary.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
Initiate preparations to launch a Call for Proposals for new KICs	April-December	Adopt Roadmap/Process Plan, Define eligibility, selection and award criteria, Draft Call text produced, Engage external experts	Roadmap agreed with stakeholders, Criteria agreed with stakeholders, Agree on Call text with stakeholders	50 000
Competitive review	January-May	Engage external experts, workshops with experts and EC, concept paper on competitive review	Proposal for an approach on competitive review	30 000
EIT Cyprus Presidency Conference	October	Conference on potential new KIC themes in Cyprus	(1) No. of participants; (2) coverage of targeted stakeholder categories, (3) geographical coverage; (4) media coverage.	200 000

O1.5 – Knowledge and Information Management

The EIT is a complex organisation that has to manage relationships and information effectively on several different levels to succeed. In order to assist it in this task, it will introduce a Knowledge and Information Management system, which will consist of an IT system capable of logically organising, archiving and making accessible different forms of information. The system will be developed in such a way that it will facilitate contacts, information and knowledge sharing between all interested parties. As a result, the flow of data, success stories, business plans, statistics etc. will become a more efficiently managed task, which in turn will serve to strengthen the links between the different actors and the joint corporate identity of the EIT, as well as the dissemination of results and impact emerging from the EIT and the KICs.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
Launch and maintain knowledge management software tools (incl. grant management, Alumni network, project platform, etc)	January-December	New knowledge management tool available to support the day-to-day KIC operations and increase the intelligence building within the EIT and KICs	Tool(s) timely developed and deployed	550 000

Summary of financial resources allocated to objective No. 1 – Focusing and strengthening the EIT to roll-out EIT strategy in preparing for the future

Index	Activities	Operational expenditure, €
O1.1	Supporting the GB	10 000
O1.2	Fostering education and entrepreneurship	184 000
O1.3	Enhancing structural collaboration with KICs	39 000
O1.4	Preparing for new KICs and KICs grant agreement for 2013	280 000
O1.5	Knowledge and information management	550 000
	TOTAL	1 063 000

Note 1 – Activity No. O1.1: the major part of the costs are budgeted in the administrative budget.

B. Activities related to Objective No. 2 – Leveraging the Impact and Good Practices of KICs Operations

O2.1 – Grant Management

The EIT will consolidate its operational activities and focus on grant management processes that safeguard the effective monitoring of KICs' expenditure and reporting, both ex-ante and ex-post. In order to do so close cooperation with the KICs is required, which will be achieved by regular dialogue and workshops. Additionally, the EIT will avail itself of in-depth expertise and technical knowledge by contracting experts to assist in achieving certain goals, such as the simplification of processes. By turning these processes into standard procedures that are clear, simple and predictable, the EIT will be well equipped to handle an increased number of KICs in a manner most conducive to innovation.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
Grant management 2011: Provide guidance to the KICs on Performance Reporting and assessment of Performance Reports; provide input to the assessment of Cost Reports; Approve Payment of the Balance	January – February March-September	Updated EIT Guidelines on Performance and Cost Reporting, Intra and Inter KIC Working Sessions EIT-KIC Report presentation workshops, Contracting of expert evaluators, EIT Assessment of KICs Performance Reports and consolidation with expert assessment, EIT Assessment of KICs Cost Reports, EIT Payment of the Balance to the KICs	EIT Guidelines, 4 Meetings (3 bilateral and 1 cross-KIC) and No. of Participants Contracts with 3 expert evaluators, 1 prep meeting and 1 evaluation workshop; 3 EIT-KIC workshops and no. of participants, Interaction and Feedback to the KICs on time, Payment on time	70 000
Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
Ex-post verification of GA 2011: Outsourced audit services to verify the reliability of certificates on the financial statements (CFS)	January-December	A report assessing the reliance that can be placed on the CFS	Report with relevant conclusions	168 000
Grant management 2012: Monitor Implementation of the Action (Business Plan 2012)	January-December	Workshops with KICs, Progress Reports on Performance and Costs, Visits to all KICs central, visit co-locations, selected project sites, internal and external reports on the visits, workshops with KICs on main findings	No of Meeting and Participants, Assessment and Feedback to the KICs on progress reports, No of KICs central visited, no of project sites visited, Reports and feedback to KICs on time; follow-up on recommendations	15 000
Grant management 2013: Provide input to the negotiation and assessment of 2013 Business Plan, Initiate process to sign GA 2013	March-October	Internal assessment of KIC BP2013 and consolidation with expert evaluation, Contracting of expert evaluators, GA2013 documentation in support of GB grant decision	Drafting of evaluation guidelines, internal assessment grids filled, cross-check with expert output, Contracts with 3 expert evaluators, 1 prep meeting and 1 evaluation workshop, GB Hearing, assessment notes	55 000
Simplification: Analyse and propose solutions to introduce simplified approaches in the agreements between the EIT and KICs	January-December	Workshops with the KICs and relevant EC services + service contract or expert contract to produce a study document on the use of simplified costs by the KICs	Study on simplification; active KICs and EC's involvement in the study and workshops	50 000

O2.2 – Good Practices at EIT, KICs and CLC Levels

Following the successful start-up phase of the KICs, the EIT will start to collect, analyse and leverage the conclusions drawn from its unique community-driven innovation model: it will compare and contrast activities at all levels of the 'EIT value chain', i.e. KICs, their co-location centres and across the Knowledge Triangle (EIT) at European level. This will allow its dedicated 'Learning and Good Practices' team to establish commonalities, valuable lessons learnt and best practices.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
EIT Student Thesis Scheme: Support to students writing master and/ or PhD Thesis in the area of good practices coming from the EIT/KIC/CLCs etc.	March – July	Master and/ or PhD Thesis in the area of good practices coming from the EIT/KIC/CLCs etc.	(1) No. of interests expressed, (2) relevance to EIT/ GPL activities (3) added value of research to EIT activities, (4) increased visibility and awareness of the EIT	10 000
Identification of first Good Practices at EIT, (cross-)KIC, (inter-)CLC levels	October 2011 - July 2012	Identification of first good practices and synergies at EIT/KIC/CLC level incl. recommendations for follow-up, EIT Study on Good Practices and Synergies	(1) timely submission of tendered study covering all aspects as laid down in ToR, incl. (2) validation workshop, (3) presentation to presidency conf. in 06/2012.	N/A
Identification of added value and synergies within the KIC Knowledge Triangle agendas	January - December	(1) Identification of initial added value and synergy examples from KIC KT agendas, (2) Recommendations to EIT management for potential follow-up actions	(1) List of identified added value and synergy examples , (2) Set of recommendations for follow-up actions.	40 000
Defining strategies to facilitate dissemination activities	July - December	Identification of potential dissemination strategies relevant to EIT activities in the area of Good Practice & Learnings	(1) list of identified dissemination strategies, (2) relevance to EIT/ GPL activities	20 000

O2.3 – EIT Stakeholder Outreach

The EIT is moving from its start-up phase in which it had to reach out to stakeholders to inform them of its existence and to generate support for its basic concept, to the second phase, in which it must build upon the results and successes of the EIT and KICs to the benefit of European-wide stakeholders and citizens.

In particular, stakeholders' endorsement is very important in supporting the institutional process that will determine the next wave of KICs and the EIT's positioning within the next Multi-Annual Financial Framework. For this reason, targeted and convincing outreach to key stakeholders which showcases the learning from the KIC model, allowing successes to be visualised and understood and the model to be shared and possibly adapted, is a key priority for 2012. Accordingly, the event that

will be hosted under the auspices of the Danish Presidency of the Council, will serve to highlight precisely these first findings and lessons learned so far at different levels.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
EIT Danish Presidency Conference	June	Conference on KIC and CLC Results and Impacts in Copenhagen	(1) No. of participants; (2) coverage of targeted stakeholder categories, (3) geographical coverage; (4) media coverage.	200 000

Summary of financial resources allocated to objective No. 2 – Leveraging the impact and good practices of KICs operations

Index	Activities	Operational expenditure, €
O2.1	Grant management	358 000
O2.2	Good practices at EIT, KICs and CLC levels	70 000
O2.3	EIT stakeholder outreach	200 000
	Total	628 000

C. Activities related to Objective No. 3 – Raising the EIT’s Visibility and Awareness

O3.1 – Improving Corporate Identity

The EIT, although fairly widely discussed and increasingly appreciated within innovation policy circles, does not yet benefit from a real and recognisable corporate identity that it must develop in order to achieve its potential. It is crucial for the EIT to define its unique value proposition to the European innovation landscape and to market this value effectively. In order to do so, it will act on two different levels: on the one hand, the EIT will convey its existing messages even more clearly and convincingly through forthcoming KIC-driven evidence. On the other hand, the EIT aims to step-up its contributions to the overall policy dialogue to develop itself into a convincing source of cutting-edge policy approaches in the Knowledge Triangle.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
Corporate publications	January-December	Impacting brochures and leaflets - reprinting, update	Increase in the level of awareness	20 000
EIT Bulletin (quarterly publication)	July + October 2012, January 2013	(1) Concept approved by Management, (2) production of first three issues, and (3) dissemination among stakeholders	(1) timely submission of tendered concept note covering all aspects as laid down in ToR, (2) production, and (3) dissemination of three issues.	60 000
EIT Thought Book (annual publication)	February-December	Annual high-quality publication presenting EIT key stakeholders and their views on innovation issues at stake: (1) Concept approved by Management, (2) production of first issue, and (3) dissemination among stakeholders	(1) timely submission of tendered concept note covering all aspects as laid down in ToR, (2) production, and (3) dissemination of first issue.	60 000
Enhance the quality and volume of the written material with the help of professional writers	January-December	Writing of powerful communication support (e.g. success stories)	Increased appreciation, impact and awareness	40 000
Corporate Promotional Material	January-December	Gadgets	level of awareness	10 000
Promotion of EIT education activities	January - December	Comprehensive information on EIT website for stakeholders, especially students Develop a common "marketing" strategy for EIT labelled degree programmes.	Education activities successfully promoted via different media (e.g. Website)	N/A

O3.2 – Digital Communication and Engaging Media

2011 progressively saw the EIT step up its efforts in media outreach by establishing new channels and products: it is now actively engaging with its wider community via social media tools and has revamped the content of its website to make it more accessible and user-friendly. However, this base needs to be further developed in order to gain maximum impact and visibility. To that end, the EIT will launch a new website which will allow for a greater functionality and features to be achieved, and will actively promote itself by using various different media and communication tools with a view of reaching many diverse user groups and interested audiences as possible. As such, emphasis will be put in practical stories and people testimonies resulting from EIT activities.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
Launch and maintenance a new website (incl. plan of events) + social media development	January-December	New website with an increased impact and more features to support the social media strategy	Number of visits to the website and overall appreciation/impact of the brand	150 000
EIT and KICs videos	January-December	Production of corporate videos and filmed success stories and testimonies	Number of views of the videos on the EIT and KICs websites	85 000
Media relations	January-December	Enhanced visibility towards strategic audiences	Media coverage of the EIT (incl. the number of articles)	50 000

O3.3 – Networking and Strategy Contacts

The EIT has many different stakeholders and interested parties with whom it wishes to maintain close contact. Many interesting forms of cooperation and synergies are possible and the EIT wishes to create further opportunities to raise its profile. In order to facilitate this, the EIT intends to become a true hub of activity and proposes to host many more strategic events at its HQ in Budapest.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
MSs, European Institutions, Industry stakeholders, academia	throughout the year	Impact on decision makers and overall awareness; follow-up of SIA process	No of meetings and speaking engagements; Support in Parliament and Council by Member State in question, wider recognition nationally	N/A
Facilitate visitor groups to EIT HQ	January - December	Standardisation of preparation, implementation of and follow-up to visitor groups (comprising wider public representatives) to EIT HQ	No and quality of events hosted	5 000
Joint events	January - December	Raising awareness, strengthening contacts with stakeholders, networks in the field of innovation and technology	No and quality of events hosted	30 000
Support the establishment of an EIT student and alumni network	January - December	Organisation of one kick-off workshop and 2 coordination workshops with students and alumni	Student and alumni network established	20 100

O3.4 – Entrepreneurship Award

The Entrepreneurship Award aims to actively foster an entrepreneurial mindset and spirit by encouraging ventures who may not otherwise take the risk of developing their concepts into real products and services. The competitive element of this initiative will maintain the excellence criterion that the EIT demands from all of its partners and collaborators in order to generate the best ventures. By associating world-famous entrepreneurs to the EIT, chosen ventures will benefit from direct access to inspiring role models.

Name of the action	Time frame	Expected outcome	Performance indicator	Anticipated budget
1st EIT Entrepreneurship Awards 2012	ongoing until September 2012;	Spotlight and encourage entrepreneurial ventures within KICs' thematic areas and support their development by raising visibility, including coaching and face-to-face meetings with Round Table members	Media coverage and feedback form the participants to the Award Ceremony	29 000
2nd EIT Entrepreneurship Awards 2013	beginning of June 2011- mid-2012	Concept development and implementation, on the basis of a pilot evaluation, the 2nd edition of the EIT Awards; launch event activities for the ceremony beg. of 2013, launch communication of the event and a possible mentoring scheme	Efficient organisational preparation of the Award Ceremony 2013	100 000

Summary of financial resources allocated to objective No. 3 – Raising visibility and awareness of the EIT

Index	Activities	Operational expenditure, €
O3.1	Improving corporate identity	190 000
O3.2	Digital communication and engaging media	285 000
O3.3	Networking and strategy contacts	55 100
O3.4	Entrepreneurship award	129 000
	Total	659 100

SUMMARY OF FINANCIAL AND HUMAN RESOURCES ALLOCATED TO OBJECTIVES

Index	Activities	Temporary agents	Contract agents	Seconded national experts	Total Human Resources	Operational expenditure, €
O1	Focusing and strengthening the EIT to roll-out EIT strategy in preparing for the future	5	6	2	13	1 063 000
O2	Leveraging the impact and good practices of KICs operations	6	4	2	12	628 000
O3	Raising the EIT's visibility and awareness	3	3		6	659 100
	Total	14	13	4	31	2 350 100

V. Administrative Activities

A. Directorate

The Director is the legal representative of the Institute, takes management decisions and oversees the day-to-day running of the institution, bearing in mind the need to combine on the one hand speedy execution of actions and cutting-edge, innovative approaches with the need to adhere to and act within the framework of the European legislative and financial rules. To date, the EIT has already achieved partial financial autonomy from the European Commission and will continue to implement the necessary changes to reach full autonomy.

B. Human Resources

In line with the new vision and drive of the EIT Director (as the appointing authority), the key priorities in the field of HR have been set to support the EIT in its next phase of growth. The principal activities that the HR team will be focusing on are the following:

- Providing reliable human resource planning and continuing to ensure the availability and retention of highly qualified staff to meet the EIT's objectives;
- Ensuring a sound framework for the management and administration of the EIT's staff;
- Ensuring a high quality working environment and opportunities for professional development;
- Further increasing the efficiency of HR support and simplifying HR procedures.

The first years in the establishment of the Institute were characterised by a growth in staffing, with a total of 28 Temporary Agent posts foreseen in the Establishment Plan for the year 2011. Due to budgetary constraints, no new posts were planned for 2012 and the Establishment Plan is kept at the 2011 level as some pending recruitments will be deployed in 2011. Consequently, the number of staff will increase in 2012 only as a result of the recruitments already started in 2011.

In order to implement the strategic objectives of the Institute and in line with the overall restructuring of the EIT undertaken with a view to streamline its effectiveness -, the main focus of the HR strategy will be the further development of the skills set of the staff, as well as their efficiency, including training opportunities for the needs of the services.

During 2012, considerable effort will continue to be devoted to optimising HR administration and management procedures, in particular through the further development of integrated ICT solutions, to reduce the administrative overheads of managing HR and for developing a consistent reporting and management framework. Under the supervision of the Director as appointing authority, HR will also put emphasis on the implementation of the new appraisal and career advancement processes, while the continuous promotion of staff wellbeing will be maintained.

C. Budget and Procurement

The Budget and Procurement team provides service-oriented financial services, ensures sound financial management of the EIT's financial resources (effectiveness, efficiency and economy of operations) as well as compliance with the applicable financial and implementing rules (legality and regularity). The team produces financial reporting to the Director, who is the authorising officer of the EIT and to the EIT's management in order to facilitate the decision-making process.

Principal activities in 2012

- Providing planning, carrying out and monitoring procurement and contracting for operational and administrative needs.
- Providing forecasting, implementation and monitoring of the budget execution.
- Financial initiation and verification of all financial transactions.
- Updating finance and procurement procedures.
- Regular presentations on finance and procurement issues to staff (particularly newcomers).
- Enhancing current IT applications
- Providing reporting according to the Financial Rules requirements as well as upon ad hoc requests.

Principal outputs in 2012

- Ensure excellence, quality, efficiency and legality and regularity of all transactions and procedures monitored
- Budget execution target above 95%.
- Delayed payments target less than 10%
- Failed procurement procedures target less than 5%.

D. Logistics and Event Management

The Logistics and Event Management Team is playing an essential role in co-ordinating, facilitating and ensuring an operational work environment for the EIT by running and maintaining an operational building and facilitating working tools for staff. It provides telecommunication services in line with the EIT's service interest and employees' needs and produces project and budget plans for events identified at Directorate level as strategically important as well as manages the events implementation both internally and externally.

Principal activities in 2012

- Implement and grow service management processes in accordance with corporate objectives.
- Coordinate the planning, development, and implementation of new information in technology resources.
- Cover the sourcing, selection, and deployment of the equipment to be used to provide security services, and the implementation and supervision of the appropriate command and control systems to ensure its efficacy.
- Manage the sourcing, inspection, selection, and contracting of locations and facilities that will serve the needs of the event project and ensure the proper development and layout of the site where the event takes place.
- Provide sourcing, selection, and contracting of the suppliers and vendors from whom goods and services will be procured using accurate solicitation materials and quality criterion, suitable documentation, change controls, and cost avoidance measures to ensure purchases will deliver cost value.

Principal outputs in 2012

- Fully operational and highly integrated telecommunication and information systems in place
- New, innovative solutions on event organisation implemented in practice
- Creating an ingenious place out of the EIT HQ to become a prominent centre for gathering the EIT stakeholder community

E. Administrative Expenses and Human Resources

1 STAFF EXPENDITURE

11	Staff in active employment	3 295 814
12	Recruitment expenses	242 263
13	Mission	281 321
14	Socio-medical infrastructure	67 200
15	Training	103 500
16	External staff and linguistic support	443 520
17	Representation	5 400
	Title 1 - Total	4 439 018

2 INFRASTRUCTURE AND OPERATING EXPENDITURE

20	Building and associated costs	247 190
21	Information and communication technology	512 310
22	Movable property and associated costs	341 000
23	Current administrative expenditure	317 700
24	Publications, information, studies and surveys	31 100
25	Meeting expenses	281 500
	Title 2 - Total	1 730 800

HUMAN RESOURCES FOR ADMINISTRATION

Activities	Temporary agents	Contract agents	Total Human Resources
Directorate	8	1	9
Human Resources	2	1	3
Budget and Procurement	2	3	5
Logistics and event management	2	2	4
Total	14	7	21

VI. Financing Decision

A. Procurement

Index	Name of the activity	Indicative type of contract(s)	Indicative No of contract(s)	Indicative timeframe for launching the procurement	Indicative budget, EUR
O1.1	Supporting the GB	Event management	1 (order form)	N/A (use of Framework contract, see Note 1)	10 000
O1.2	Fostering education and entrepreneurship	Expert, Event management	4-5 experts, 10-15 (order forms)	N/A (use of Commission expert database, and of Framework contract for event management, see Note 1)	184 000
O1.3	Enhancing structural collaboration with KICs	Catering, expert	5-7 (order forms)	N/A (use of Commission expert database, and of Framework contract for event management, see Note 1)	39 000
O1.4	Preparing for new KICs and KICs grant agreement for 2013	Expert, study, event management	2-3 experts, 2 (order forms)	N/A (use of Commission expert database, and of Framework contract for event management, see Note 1)	280 000
O1.5	Knowledge and information management	IT service and supply	1-4 contracts	Q1	550 000
O2.1	Grant management	Expert, catering	3-4 experts, 5-8 (order forms)	N/A (use of Commission expert database, and of Framework contract for event management, see Note 1)	358 000
O2.2	Good practices at EIT, KICs and CLC levels	Expert/service	2-3 contracts	Q1-Q2	70 000
O2.3	EIT stakeholder outreach	Event management	1-2 (order form)	N/A (use of Framework contract, see Note 1)	200 000
O3.1	Improving corporate identity	Service, expert	5-6 (order forms and contracts)	N/A (use of Framework contract, see Note 1) Q1-Q2 for service	190 000

Index	Name of the activity	Indicative type of contract(s)	Indicative No of contract(s)	Indicative timeframe for launching the procurement	Indicative budget, EUR
O3.2	Digital communication and engaging media	Service	5-10 order forms, 2 contracts	Q1-Q3	285 000
O3.3	Networking and strategy contacts	Catering, travel	3-7 order forms	N/A (use of Framework contract, see Note 1)	55 100
O3.4	Entrepreneurship award	Event management	1 order form	N/A (use of Framework contract, see Note 1)	129 000

Note 1 – EIT intends to use existing Commission and EIT framework contracts for organising events. EIT will launch negotiated procedure for in-house catering at the beginning of the year.

B. Grant

Legal basis: Regulation (EC) No 294/2008 of the European Parliament and of the Council of 11 March 2008 establishing the European Institute of Innovation and Technology

Priorities of the year and objectives to be fulfilled:

The Business Plans for 2012 grants must include initiatives, specifically contributing to fostering the following four strategic objectives derived from the EIT Scoreboard identified by the Governing Board of the EIT:

- 1) Create new businesses
- 2) Provide growth to existing businesses
- 3) Develop educational eco-systems for entrepreneurship
- 4) Organise people mobility across co-location centres

Indicative amount of direct award: EUR 81 715 000 in line with Article 168, paragraph 1 (d) of IR

Maximum possible rate of co-financing: Each KIC may be financed for up to 25% of its global expenditure over the first four years out of the EIT budget.

Form of the grant: action grant with partial lump sums and flat rate financing. The methodology used for lump sum and flat rate financing is explained in annex 1.

Specific grant agreement: The action is implemented through a grant agreement within the meaning of Article 75, paragraph 4 of the EIT Financial Rules. Three Framework Partnership Agreements were concluded as follows:

Framework partnership agreement with the Knowledge and Innovation Community Stichting Climate KIC on 16 February 2011.

Framework partnership agreement with the Knowledge and Innovation Community EIT ICT Labs IVZW on 13 December 2010.

Framework partnership agreement with the Knowledge and Innovation Community KIC InnoEnergy SE on 17 December 2010.

VII. Annex

1. Lump Sums and Flat-Rate Financing Authorised for 2012 and 2013 for the KICS' Use in the Context of Annual EIT- KICS Grant Agreements

The EIT Regulation in its Recitals (8) (10) and (12) states that „*The EIT should give priority to the transfer of its higher education, research and innovation activities to the business context and their commercial application, as well as to supporting the creation of start-ups, spin-offs and small and medium-sized enterprises (SMEs)*“; „*In order to contribute to the competitiveness and to reinforce the international attractiveness of the European economy and its innovation capacity, the EIT and the KICs should be able to attract partner organisations, researchers and students from all over the world, including by encouraging their mobility, as well as to cooperate with third country organisations.*“ „*Through its activities and work, the EIT should help promote mobility within the European Research Area and the Higher Education Area.*“

Article 75.8 of the EIT Financial Rules says: *“A participant may use a simplified method of calculation of its indirect eligible cost at the level of its legal entity if it is in accordance with its usual accounting and management principles and practices. Principles to be followed in this respect shall be set out in the model grant agreement. The grant agreement may authorise, in the form of flat rates, funding of the beneficiary’s indirect costs up to a maximum of 20% of total eligible direct costs for the action. In the case of non-profit public bodies, higher education establishments, research organisations or SMEs unable to identify with certainty their real indirect costs, this threshold may be raised to 40% of total eligible direct costs for the action.*

Other lump sums or flat-rate financing may be authorized by way of a decision of the Governing Board and adjusted every two years on the basis of statistical data and similar objective means.”

Higher Education is an integral component of the EIT’s objectives. In order to establish a strong EIT brand in excellent education and to attract students from Europe and from all over the world, including by encouraging their mobility, KICs should be able to promote students’ participation in education activities. One possible means to achieve this objective would be providing students with financial support in the form of scholarships.

It is essential that educational programmes provided by the KICs are competitive on the global scene in order to achieve the overall objectives of the EIT. KIC added value education programmes should become recognised and valued by students in the medium to long term. To this end, as defined in the EIT Regulation the “EIT labelled degrees and diplomas” should be offered and awarded by the higher education institutions' participating in the KICs (in accordance with national rules and accreditation procedures). This constitutes one of the main tools to achieve the EIT’s objectives, implement its strategy and showcase the EIT’s added value.

In order to facilitate the creation of the EIT brand and to attract students from all over the world, as defined in the EIT Regulation, KICs would like to offer scholarships to students participating in EIT labelled Master and PhD courses. In order to attract excellent students and be able to compete against world-wide education initiatives, the amount of the scholarships has to be competitive.

On the other hand, one of the objectives of the KICs is to test innovation in the market with the objective of exploiting its potential commercially. To this end the KIC might support one-off actions,

by creating start-ups, spin-offs or other similar structures. Individuals or SMEs are expected to develop their venture ideas further and they are supported in their path to reach preliminary proof-of-concept with views of their future incorporation within the KIC as a partner (final beneficiary). Different methods can be used to support individuals or SMEs to perform these tasks, e.g. innovation vouchers, access to different types of incubators, pathfinders, placement grants, etc.

Taking into account the limited resources that an SME or an individual student has at their disposal, enabling the KIC to provide support to third parties by using flat-rates and lump sums is essential in order to achieve the objectives of the EIT.

Due to the current limitations of the EU Financial Regulation, the KICs have not been able to implement activities entailing sub-granting on a large scale, in particular scholarships. Moreover, given the fact that KICs have started to operate in 2010, the EIT could not build up a historical database with actual expenditure by type of activity, in particular SME and student support, which could serve as a basis for calculating lump sums and flat-rates for KIC specific activities.

However, as certain activities are similar to the ones supported by other European programmes, but with different segment of possible beneficiaries (only those described within the KIC activity), the EIT, after thorough examination of different flat rates and lump-sums applied at European level, will propose the use of existing flat-rates and lump sums in other European Programmes. Such flat rates and lump sums have proved their value to enhance the attractiveness of the European Higher Education and Research Area. The flat rates and lump sums will enable the KICs to manage the application procedures and other administrative arrangements for students independently, but reducing the administrative burden for all parties involved: the EIT, the KICs themselves and the individual beneficiaries (mainly students) and/or SMEs.

Having recourse to lump sum and flat-rate financing simplifies the management and calculation of the financial contributions paid to third parties considerably in comparison to the 'traditional' system of basing the amount of the grant on a detailed budget of eligible costs. It has in particular the following advantages:

- It enables applicants to take the pre-established lumps sums and flat-rates into account when submitting their applications for grants;
- Applying pre-established rates (adapted to apply to all applicants, where necessary), offers advantages in terms of transparency and equal treatment of beneficiaries;
- Financing on the basis of lump sums and flat-rates where an analysis of the cost base has been made ex-ante introduces an incentive for the beneficiary to use resources as economically as possible, as the final grant is based on the pre-established rates in function of the implementation of the action, without further adjustments of the grant amount based on realized financial information;
- The emphasis in managing grant agreements/decisions in application of lump sums and flat-rates is placed on the quality and level of achievement of measurable objectives, and is therefore focused on outputs rather than inputs. This implies that no ex-post reduction on the individual beneficiary level is foreseen where, for instance, the beneficiary has been able to make cost-savings or has been able to attract additional sources of financing;
- It therefore also reduces the level of uncertainty regarding the grant amount that a beneficiary might expect to receive;
- The approach offers a considerable reduction in administrative work for the beneficiary and a significant simplification in its reporting to the contracting authority;

- It significantly decreases the workload of the contracting authority (in comparison to the analysis of a detailed budget of eligible costs per cost category) and as a consequence speeds up the payment procedure.

The EIT proposes for use the following lump sums and flat-rates to finance educational and entrepreneurship activities described in the KIC Business Plans:

1. Erasmus Mundus Programme
 - costs related to student grants and doctoral candidates (not administrative expenses)
http://eacea.ec.europa.eu/erasmus_mundus/programme/programme_guide_en.php
2. Lifelong Learning Programme
 - Erasmus Intensive Programmes
 - Erasmus Student Mobility
 - Erasmus Staff Mobility
 - http://ec.europa.eu/education/lip/doc848_en.htm
 - http://ec.europa.eu/education/lip/doc/call12/part1_en.pdf
3. Marie Curie Programme
<http://ec.europa.eu/research/mariecurieactions/index.htm>

The lump sums and flat-rates proposed will be valid during 2012 and 2013.

The Business Plans annexed to the annual Grant agreements to be signed with KICs shall contain detailed list of tasks/activities and the lump sum or flat-rate to be used for that specific task/activity.

The use of the above flat-rates and lump sums becomes eligible provided that the EIT Financial Rules concerning the applicable limit for sub-granting are amended by the EIT's Governing Board with the prior consent of the European Commission.