European Institute of Innovation and Technology (EIT) 2014-2020

2011/0384(COD) - 12/12/2012 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, research and Energy adopted the report by Philippe LAMBERTS (Greens /EFA, BE) on the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology.

The Committee on Culture and Education, exercising the prerogatives of the associated committee, was also consulted for an opinion on this report pursuant to Rule 50 of the Rules of Procedure.

The parliamentary committee responsible recommends that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission's proposal as

follows:

Missions and objectives: the amended text stipulates that the EIT's mission is to contribute to sustainable European **economic and social development** and competitiveness by reinforcing and accelerating the innovation and **entrepreneurship** capacity of the Member States and the Union. It shall do this by promoting **synergies**, cooperation and integration of higher education, research, innovation and entrepreneurial activity **of excellence**. The EIT should, among other things:

- conduct relevant **information campaigns** targeting European universities, national, regional and local authorities involved in R&D&I policies;
- broaden the involvement of **stakeholders**;
- seek to engage more closely with **SMEs** to ensure their active participation in the activities of the Knowledge and Innovation Communities (KICs);
- invest in cultivating a **world-class EIT brand-name** in the area of innovative entrepreneurial education;
- **ensure access** to all high quality European universities, research communities, small research groups and private sector actors, including highly innovative startups;
- further promote **recognition by the Member States of EIT degrees and diplomas** bearing its label of excellence.

Governing Board: the EIT should have a **Governing Board consisting of and respecting the balance** between high-level members experienced in higher education, research, innovation and business. It shall be responsible for steering the activities of the EIT, for the selection, designation and evaluation of the KICs, and for all other strategic decisions.

Broadening the concept of innovation: Members consider that the EIT should promote multidisciplinary and inter-disciplinary approaches to innovation and entrepreneurship, including the development of **non-technological solutions**, organizational approaches, new business models, systems innovation and public sector innovations, as a necessary **complement** to technological and technical innovation activities.

KICs selection: according to Members, the purpose and the number of KICs **should not be fixed in advance**. They therefore propose that new KICs should be launched and selected by the EIT on the basis of an **open, transparent and competitive process**, providing clarity and predictability for potential participants.

- **As of 2014**, the EIT should launch the selection of up to four new KICs in the thematic priority areas as defined in the Strategic Innovation Agenda (SIA).
- **As of 2018**, according to the budget available and following a stakeholders' consultation, the EIT should launch further calls for the selection of KICs in the remaining themes identified in the Strategic Innovation Agenda (SIA) or newly identified themes falling within the scope of Horizon 2020 objectives. The number of KICs selected will depend on the maturity and readiness of European consortia to form credible KICs, the potential societal and economic impact, and opportunities for synergies with other initiatives.

Members consider that the KICs should have a **large autonomy** but that it is necessary to clarify what minimum features, general principles and tasks they should have. They should play the role of **"innovation catalysts"** and have the following tasks:

- innovation activities and investments with European added value;
- cutting-edge and innovation-driven research in areas of key economic and societal interest;
- the dissemination of best practices in the innovation sector;
- integration and coordination as much as possible with existing European, national and regional initiatives and local instruments in the field of Research, Development and Innovation.

KICs – funding principles: the EIT should act as an **investor** and its funding aim at leveraging other sources of private and public funding, including other EU funds. For the purposes of clarity, the **sources and principles of funding were grouped together in a single article and amended** to include KIC leverage effects.

According to the amended text, the EIT's contribution could cover up to **100%** of the total eligible costs of KIC added-value activities but could not exceed **25%** of the KICs yearly annual budget, calculated on a three-yearly average.

In addition, the EIT should establish a **competitive review mechanism** for the allocation of a substantial share of its yearly financial contribution to the KICs.

Programming, monitoring and evaluation: Members call for the EIT's Triennial Work Programme to take into account the Commission's opinion and the views expressed by European Parliament and the Council. **A regular dialogue between the EIT and the European Parliament should be established.**

In addition, the EIT's evaluation should **allow for direct comparisons** of performance and key-indicators, on the one hand, and the relevant Horizon 2020 instruments, on the other.

Lastly, EIT activities should ensure the **utmost transparency, accountability and democratic scrutiny of contributions** from the Union budget, especially as regards their contribution, both expected and achieved, to attain Union objectives.