European Institute of Innovation and Technology (EIT). Recast

2019/0151(COD) - 11/07/2019 - Document attached to the procedure

This Commission staff working document sets out the executive summary of the impact assessment on the Proposal for a Regulation of the European Parliament and of the Council on the European Institute of Innovation and Technology (recast) and the Proposal for a Decision of the European Parliament and of the Council on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT) 2021-2027: Boosting the Innovation Talent and Capacity of Europe.

Three options were considered in addressing the identified challenges:

- ***Option 1*** (the baseline) represents the continuation of EIT's activities as they are today with adjustments necessary to align it with the proposal for Horizon Europe. The EIT would comply with implementation, monitoring and evaluation criteria for European Partnerships. It would develop synergies with the European Innovation Council. There would be two new KICs.

- ***Option 2*** builds on the baseline and furthermore adopts a number of measures to enhance the effectiveness of EIT functioning, including adapting its funding model. It introduces a new EIT action to support the entrepreneurial and innovation capacity development of Higher Education Institutions (HEIs) and strengthen its Regional Innovation Scheme. There would be two new KICs.

- ***Option 3*** builds on the baseline and a number of measures to enhance the effectiveness of the EIT as in Option 2. It furthermore introduces a new activity of setting up a EIT Hub in each Member States in order to increase the EIT's overall impacts. The EIT would directly implement the EIT Hubs to foster knowledge triangle integration via support for collaborative projects on a smaller scale than KICs.

There would be one new KIC.

All three Options would have legislative implications for the amendment of the EIT Regulation and the new Strategic Innovation Agenda of the EIT.

Preferred option

The preferred option is Option 2, which strikes the best balance in achieving the objectives of the initiative while considering the resources available and offering the highest economic and societal impacts. It would entail a significant improvement of the EIT in the next programming period. It would deepen the knowledge triangle integration, contribute to strengthening innovation ecosystems and increase the innovation and entrepreneurial capacity of the higher education sector. It would contribute to reducing skills gaps in key sectors of the economy; increase knowledge sharing and networking in innovation ecosystems; promote effective and efficient new business creation; increase the quality of entrepreneurial higher education. It would also increase the levels of private investment in KICs in medium to long run and support them more effectively to reach the EIT financial sustainability objectives.

It would allow the EIT to gradually improve and enhance its regional outreach to countries with modest and moderate innovation performance.

Lastly, the implementation of the preferred policy option will be monitored and evaluated regularly. Continuous monitoring of the operational performance and output of the KICs will be carried out annually

by the EIT based on a specific impact indicator framework. The Commission will carry out an independent mid-term evaluation of the economic and societal impacts of the EIT in 2024, aligned with the mid-term evaluation of the Horizon Europe programme.