Regulation (EU) No 1292/2013 of the European Parliament and of the Council of 11 December 2013 amending Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology (Text with EEA relevance)

REGULATION (EU) No 1292/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 11 December 2013

amending Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 173(3) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[(1)],

Acting in accordance with the ordinary legislative procedure[(2)],

Whereas:

(1) The Europe 2020 strategy for smart, sustainable and inclusive growth assigns a prominent role to the European Institute of Innovation and Technology ("the EIT") which contributes to a number of flagship initiatives.

(2) During the period from 2014 to 2020 the EIT should contribute to the objectives of the "Horizon 2020 - The Framework Programme for Research and Innovation" established by Regulation (EU) No 1291/2013[(3)] of the European Parliament and of the Council ("Horizon 2020") by integrating the knowledge triangle of higher education, research and innovation.

(3) In order to ensure a coherent framework for participants in Horizon 2020, Regulation (EU) No 1290/2013 of the European Parliament and of the Council[(4)] ('Rules for Participation') should apply to the EIT.

(4) The rules concerning the management of intellectual property rights are defined in the Rules for Participation.

(5) The rules concerning the association of third countries are defined in Horizon 2020.

(6) The EIT should foster entrepreneurship in its higher education, research and innovation activities. In particular, it should promote excellent entrepreneurial education and support the creation of start-ups and spin-offs.

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EU) No 1292/2013 of the European Parliament and of the Council. (See end of Document for details)*

(7) The EIT should directly engage with national and regional representatives and other stakeholders from across the innovation chain, generating beneficial effects on both sides. In order to render such dialogue and exchange more systematic, an EIT Stakeholder Forum should be established, bringing together the wider community of stakeholders around horizontal issues. The EIT should also carry out information and communication activities targeting relevant stakeholders.

(8) The EIT should promote an appropriately balanced participation between the different actors from the knowledge triangle involved in the Knowledge and Innovation Communities ("KICs"). Furthermore, it should promote strong participation from the private sector, in particular micro-/small and medium-sized enterprises ("SMEs").

(9) The scope of the EIT contribution to the KICs should be defined and the origins of the KICs' financial resources clarified.

(10) The composition of the EIT bodies should be simplified. The functioning of the EIT Governing Board should be streamlined and the respective roles and tasks of the Governing Board and the Director should be further clarified.

(11) New KICs, including their priority fields and the organisation and timing of the selection process, should be launched on the basis of modalities defined in the Strategic Innovation Agenda following an open, transparent and competitive process.

(12) The KICs should broaden their educational activities to enhance the skills base across the Union, by providing professional and other appropriate training courses.

(13) Cooperation on the organisation of monitoring and evaluations of the KICs between the Commission and the EIT is required in order to ensure coherence with the overall Union-level monitoring and evaluation system. In particular, there should be clear principles for monitoring the KICs and the EIT.

(14) The KICs should seek synergies with relevant Union, national and regional initiatives.

(15) In order to ensure broader participation of organisations from different Members States in the KICs, partner organisations should be established in at least three different Member States.

(16) The EIT and the KICs should develop outreach activities and disseminate best practices, including through the Regional Innovation Scheme.

(17) The criteria and procedures for the financing, monitoring and evaluation of the activities of the KICs should be adopted by the EIT prior to launching the KIC selection process.

(18) The EIT Triennial Work Programme should take into account the Commission's opinion concerning the EIT's specific objectives, as defined in Horizon 2020, and its complementarities with Union policies and instruments.

(19) The EIT, being under Horizon 2020, will be part of the mainstreaming of climate change expenditure as defined in Horizon 2020.

(20) The evaluation of the EIT should provide timely input for the evaluation of Horizon 2020 in 2017 and 2023.

(21) The Commission should strengthen its role in monitoring the implementation of specific aspects of EIT activities.

(22) This Regulation lays down a financial envelope for the entire duration of Horizon 2020 which is to constitute the prime reference amount, within the meaning of point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management[(5)], for the European Parliament and the Council during the annual budgetary procedure. The financial contribution for the EIT should be provided from Horizon 2020.

(23) Contrary to initial expectations, the EIT Foundation will not receive a direct contribution from the Union budget, and the Union discharge procedure should therefore not apply to it.

(24) For reasons of clarity, the Annex to Regulation (EC) No 294/2008 of the European Parliament and of the Council[(6)] should be replaced by a new Annex.

(25) Regulation (EC) No 294/2008 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 294/2008 is amended as follows:

(1) Article 2 is amended as follows:

(a) point 1 is replaced by the following:

"1. "innovation" means the process, including its outcome, by which new ideas respond to societal or economic needs and demand and generate new products, services or business and organisational models that are successfully introduced into an existing market or that are able to create new markets and that provide value to society;"

(b) point 2 is replaced by the following:

"2. "Knowledge and Innovation Community" (KIC) means an autonomous partnership of higher education institutions, research organisations, companies and other stakeholders in the innovation process in the form of a strategic network, regardless of its precise legal form, based on joint mid- to long-term innovation planning to meet the EIT challenges and contribute to attaining the objectives established under Regulation (EU) No 1291/2013 of the European Parliament and of the Council[(7)] ("Horizon 2020");

(c) point 3 is replaced by the following:

"3. "co-location centre" means a geographical area where the main knowledge triangle partners are based and can easily interact, providing the focal point for the KICs' activity in that area;";

(d) point 4 is deleted;

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EU) No 1292/2013 of the European Parliament and of the Council. (See end of Document for details)*

(e) point 5 is replaced by the following:

"5. "partner organisation" means any organisation which is a member of a KIC and may include, in particular, higher education institutions, research organisations, public or private companies, financial institutions, regional and local authorities, foundations and non-profit organisations;";

(f) point 9 is replaced by the following:

"9. "Strategic Innovation Agenda" (SIA) means a policy document outlining the priority fields and the long-term strategy of the EIT for future initiatives, including an overview of planned higher education, research and innovation activities over a period of seven years;";

(g) the following point is added:

"9a. "Regional Innovation Scheme" (RIS) means an outreach scheme targeted at partnerships between higher education institutions, research organisations, companies and other stakeholders, in order to foster innovation across the Union;";

(h) the following points are added:

"10. "Stakeholder Forum" means a platform open to representatives of national, regional and local authorities, organised interests and individual entities from business, higher education, research, associations, civil society and cluster organisations, as well as other interested parties from across the knowledge triangle;

11. "KIC added-value activities" means activities carried out by partner organisations or KIC legal entities, if applicable, contributing to the integration of the knowledge triangle of higher education, research and innovation, including the establishment, administrative and coordination activities of the KICs, and contributing to the overall objectives of the EIT.".

(2) Article 3 is replaced by the following:

"Article 3

Mission and Objectives

The EIT's mission is to contribute to sustainable European economic growth and competitiveness by reinforcing the innovation capacity of the Member States and the Union in order to address major challenges faced by European society. It shall do this by promoting synergies and cooperation among, and integrating, higher education, research and innovation of the highest standards, including by fostering entrepreneurship.

The EIT' General Objectives, Specific Objectives and result indicators for the period from 2014 to 2020 are defined in Horizon 2020.".

(3) Article 4(1) is amended as follows:

(a) point (a) is replaced by the following:

"(a) a Governing Board composed of 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. It shall be assisted by an Executive Committee;";

(b) point (b) is deleted;

(c) point (c) is replaced by the following:

"(c) a Director, appointed by the Governing Board, who shall be responsible to the Governing Board for the administrative and financial management of the EIT and shall be the legal representative of the EIT;".

(4) Article 5(1) is amended as follows:

(a) point (a) is replaced by the following:

"(a) identify, in accordance with the SIA, its main priorities and activities;";

(b) point (c) is replaced by the following:

"(c) select and designate KICs in the priority fields in accordance with Article 7 and define their rights and obligations by agreement, provide them with appropriate support, apply appropriate quality control measures, continuously monitor and periodically evaluate their activities, ensure an appropriate level of coordination and facilitate communication and thematic cooperation between the KICs;";

(c) point (f) is replaced by the following:

"(f) promote the dissemination of best practices for the integration of the knowledge triangle, including among KICs, in order to develop a common innovation and knowledge transfer culture, and encourage participation in outreach activities, including in the RIS;";

(d) point (h) is replaced by the following:

"(h) promote multidisciplinary approaches to innovation, including the integration of technological, social and non-technological solutions, organisational approaches and new business models;";

(e) the following points are added:

"(i) ensure complementarity and synergy between EIT activities and other Union programmes, where appropriate;

(j) promote the KICs as excellent innovation partners inside and outside the Union;

(k) establish a Stakeholder Forum to inform about the activities of the EIT, its experiences, best practices and contribution to Union