



European Institute of Innovation and Technology (EIT)

EIT KIC Partnership Agreement

Version 1.0
14 March 2021

HISTORY OF CHANGES		
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1.0	14 March 2021	▪ Initial version



KIC PARTNERSHIP AGREEMENT

EIT/[KIC name]

This **Partnership Agreement** ('Agreement') is **between** the following parties:

on the one part,

the **European Institute of Innovation and Technology** ('EIT'), represented by [forename and surname, function],

and

on the other part,

the Knowledge and Innovation Community ('KIC') Legal Entity ('KIC LE'):

[full official name (short name)], established in [official address in full], VAT number [insert number], represented by [insert function, forename, surname], and representing the [KIC name].

The parties referred to above have agreed to enter into this Agreement.

By signing the Agreement, the KIC LE accepts the partnership and agrees to implement it in accordance with the Agreement and with all the obligations and the terms and conditions it sets out.

The Agreement is composed of:

Terms and Conditions

Annex 1 KIC Strategic Agenda

Having regard to

- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union (‘EU Financial Regulation’)¹;
- Regulation [insert number] of [insert date] the European Parliament and of the Council establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination (‘Horizon Europe Regulation’)²;
- Regulation [insert number] of [insert date] of the European Parliament and of the Council on the European Institute of Innovation and Technology (‘EIT Regulation’)³;
- Decision [insert number] of [insert date] of the European Parliament and of the Council on the Strategic Innovation Agenda of the European Institute of Innovation and Technology 2021-2027: Boosting the Innovation Talent and Capacity of Europe (‘EIT Strategic Innovation Agenda 2021-2027’)⁴;
- Decision [insert number] of [insert date] of the Governing Board of the EIT on the designation of the Knowledge and Innovation Community (KIC) in the “[insert name]” thematic area⁵;
- *[Only for first wave KICs: Decision 17/2018 of 12 July 2018 of the Governing Board of the EIT on the confirmation of the Framework Partnership Agreements of the first wave Knowledge of Innovation Communities (KICs) beyond 7 years⁶;*
- Decision 21/2019 of 25 September 2019 of the Governing Board of the EIT on the Financial Regulation of the EIT⁷;
- Decision [insert number] of [insert date] of the Governing Board of the EIT on the principles on financing, monitoring and evaluating KIC activities⁸;
- Decision [insert number] of [insert date] of the Governing Board of the EIT on the principles of KICs’ financial sustainability⁹;

¹ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012

² XXX

³ XXX

⁴ XXX

⁵ XXX

⁶ 03144.EIT.2018.I.GB.WP

⁷ Ares(2019)6810859)

⁸ XXX

- Decision [insert number] of [insert date] of the Governing Board of the EIT on the EIT Label framework¹⁰;
- Decision [insert number] of [insert date] of the Governing Board of the EIT on the EIT Impact Framework (2021-2027)¹¹;

Whereas

- The EIT Governing Board designated [insert name of KIC] as a Knowledge and Innovation Community on [insert date] and the EIT awarded and signed the Framework Partnership Agreement with [insert name of KIC] on [insert date] for the period from 1 January [insert year] until 31 December [insert year] defining the conditions under which the EIT awarded specific grants to the KIC. *[Only for first wave KICs: Following Decision 17/2018 of the EIT Governing Board, the Framework Partnership Agreement of [insert name of KIC] was confirmed beyond 7 years.]*
- For the period of 2021-2027, the EIT is part of the Horizon Europe Framework Programme for Research and Innovation. In line with its Strategic Innovation Agenda 2021-2027, the EIT's mission is to contribute to sustainable EU economic growth and competitiveness by reinforcing the innovation capacity of all Member States and the Union in order to address major challenges faced by society. It must do this by promoting synergies, integration and cooperation among higher education, research and innovation of the highest standards, including by fostering entrepreneurship, thereby strengthening the innovation ecosystems in an open and transparent manner;
- In accordance with Article 10 of the Horizon Europe Regulation, the KICs are 'Institutionalised European Partnerships' and must ensure their compliance with the Horizon Europe Regulation;
- The KIC LE represents the KIC and must ensure that the provisions of this Partnership Agreement are transposed in the KIC's legal and operational arrangements and are implemented by the KIC;
- The KIC should be open to new KIC partners and should be subject to high degree of openness, transparency in its activities, in line with the principles laid down in this Agreement;
- The KIC must align with the EIT Impact Framework (2021-2027);

⁹ XXX
¹⁰ XXX
¹¹ XXX

TERMS AND CONDITIONS

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CHAPTER 1 GENERAL

ARTICLE 1 — SUBJECT OF THE AGREEMENT

This agreement establishes the general terms and conditions under which the KIC [KIC name] must operate.

For the purpose of this Agreement, the KIC LE represents the KIC and must ensure that its terms and conditions are transposed in the KIC's legal and operational arrangements and are complied with by the KIC partners.

ARTICLE 2 — DEFINITIONS

For the purpose of this Agreement, the following definitions apply:

KIC — A KIC means a large scale institutionalised European partnership, as referred to in the Horizon Europe Regulation, 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 the Horizon Europe Regulation.

The KIC is composed of the KIC LE, the entities with Co-location Centre ('CLC') role and other KIC Partners as defined in the 'KIC Strategic Agenda' (Annex 1).

Entities with CLC role — A co-location centre means a physical hub, established in an open and transparent manner, which promotes linkages and active collaboration among knowledge triangle actors and acts as a focal point for knowledge exchange through which KIC partners can access facilities and the expertise needed to pursue their common objectives. Entities with CLC role are key actors in the KIC partnership.

Financial sustainability — Financial sustainability means a capacity of a KIC to finance its knowledge triangle activities independently of contributions from the EIT;

KIC partner organisation(s) ('KIC partner(s')) — Any legal entity which is a member of the KIC and may include, in particular, higher education institutions, vocational education and training providers, research organisations, public institutions, public or private companies, financial institutions, regional and local authorities, foundations and non-profit organisations. Unless otherwise specified, references to 'KIC partner' or 'KIC partners' include the KIC LE and the entities with CLC role.

KIC Business Plan — A document covering a period of up to three years, describing the KIC's objectives, the ways to achieve them, the expected results, the planned KIC added-value activities and the related financial needs and resources, including the actions aiming to achieve financial sustainability and increase the KIC's openness to new partners from across the Union. This document will be annexed to the grant agreement.

KIC funding schemes — Call for projects and similar schemes which are necessary for the execution of the KIC Strategic Agenda.

KIC added-value activities ('KAVAs') — Activities carried out by the KIC in accordance with the KIC Business Plan, contributing to the integration of the knowledge triangle, including the establishment, administrative and coordination activities of the KIC, and contributing to the overall objectives of the EIT.

Grant agreement — Agreements signed by the EIT and the KIC LE laying down the provisions concerning the implementation of the KIC Business Plan through grants. Grant agreements may be signed separately for Cross-KIC activities.

ARTICLE 3 — STARTING DATE AND DURATION

This Agreement is concluded for the period of [2016-2024] / [2018-2024] / [2020-2026].
[This period may be extended for a second period of 7 years, in accordance with the provisions of the EIT Regulation.]

CHAPTER 2 — KIC

ARTICLE 4 — KIC OBJECTIVES — KNOWLEDGE TRIANGLE — STRATEGIC AGENDA

4.1 Overall objectives

The KIC operates as an institutionalised European partnership which aims to contribute to European Union sustainable economic growth and competitiveness by reinforcing the innovation capacity of all Member States and the Union and in order to address major challenges faced by society.

The KIC does so by bringing together the actors of the knowledge triangle (research and innovation, education and business) in a thematically focused innovation ecosystem.

The KIC runs the knowledge triangle activities, carries out outreach activities, ensures the dissemination of results, and promotes synergies and complementarities — thereby strengthens the innovation ecosystem in an open and transparent manner.

4.2 Specific objectives

The strategy, objectives, activities and expected impact of the KIC are set out in the KIC Strategic Agenda in Annex 1.

The KIC Strategic Agenda must be in line with the objectives and obligations laid down in the Horizon Europe Regulation, EIT Regulation, the EIT Strategic Innovation Agenda and the EIT Impact Framework.

The KIC Strategic Agenda must be subject to the approval of the main decision-making body of the KIC, following the consultation of the EIT.

ARTICLE 5 — KIC PARTNERSHIP

5.1 KIC partnership

The KIC is an excellence-driven, institutionalised European partnership of actors in the knowledge triangle, as defined in Article 2. The KIC partner categories are defined in the KIC Strategic Agenda (Annex 1).

The KIC may change in composition but must at all times be composed of a minimum of three independent partner organisations, comprising at least one higher education institution, one research institution and one private undertaking and established in at least three different Member States. In addition, at least two thirds of the partner organisations forming a KIC must be established in the Member States.

The KIC partners should add value to the partnership and should have a commitment to participate in the KIC activities.

5.2 Internal roles and responsibilities

The KIC LE represents and manages the KIC and ensures that the KIC delivers and respects the objectives set out in the KIC Strategic Agenda (Annex 1).

The KIC LE must ensure that the KIC partners endorse and implement this Agreement with the EIT and cooperate in a coordinated and integrated way and work towards reaching the objectives set out in the KIC Strategic Agenda.

The KIC LE is, in particular, responsible for:

- a) the preparatory and conceptual work of the KIC (strategy, KIC Business Plans, financial sustainability, cooperation and coordination, etc);
- b) monitoring of the KIC partnership and all participants in grant agreements;
- c) the day-to-day coordination and management of the KIC, such as:
 - monitoring of the KIC Strategic Agenda implementation;
 - managing the KIC, including setting up internal arrangements with all KIC partners, in line with the KIC's governance model;
 - managing the KIC governance system in accordance with the KIC's legal and operational arrangements;
 - monitoring the KIC partners' activities;
 - providing operational support to KIC partners (including electronic tools and applications, standardised procedures and templates for managing activities and KIC funding schemes);
 - preparing the annual progress reports (see Article 11.2);
- d) all communications with the EIT.

The entities with CLC role and other KIC partners must cooperate and fully support the KIC LE in all its tasks. The entities with the CLC role should be a gateway for accessing the KIC and interacting with KIC partners, as well as with other local innovation actors.

5.3 Internal arrangements

All provisions of this Agreement must be transposed in the KIC's legal and operational arrangements, including the agreements signed by the KIC LE with the KIC partners.

The KIC LE must notify the EIT of these arrangements, and any substantial modifications of them.

ARTICLE 6 — KIC GOVERNANCE

6.1 Good governance principles

- a) The KIC governance and management structure must:
 - ensure compliance with the provisions of Article 10 of the Horizon Europe Regulation and the criteria for the selection, implementation, monitoring, evaluation and phasing out laid down in Annex III of the Horizon Europe Regulation;

- reflect diversity, in particular with regard to gender, geographical and professional background;
 - reflect the diversity in the composition of the KIC, in particular the balance within the knowledge triangle;
 - separate ownership and membership from operational management;
 - separate the supervisory functions from the operations;
 - have a size which allows the KIC to function in an effective and efficient way;
 - separate the decisions on activities, on KIC funding schemes and distribution of funding from their implementation;
 - ensure that at least half of the members — including the chairperson — of the body with supervisory functions are independent from the KIC partners;
 - be composed of high quality members who are selected in a transparent and competitive procedure;
 - have an effective supervision or ownership over the entities with a CLC role.
- b) The KIC must have an effective operational structure to implement the KIC Strategic Agenda and the KIC Business Plans.
- c) The KIC must comply with the following:
- As an institutionalised European partnership, the KIC should act in the EU public interest.
 - The KIC must adopt its Code of Conduct based on the model provided by the EIT which includes policies on conflict of interests, ethical values and integrity.
 - In order to reinforce the highest standards of integrity and to reduce the risk of fraud, the KIC must adopt an Anti-fraud Strategy followed up by an action plan. The Anti-fraud Strategy must be reviewed every two years.
 - The KIC LE and entities with a CLC role must have a Procurement Policy in place to ensure compliance with the substantive requirements of EU public procurement law, in particular with the main principles of transparency, equal treatment, non-discrimination and competition.
 - KIC must have Gender Mainstreaming Policy in place to ensure gender responsive portfolio of activities and balanced gender representation in decision making.
- d) The KIC LE must ensure that, within the scope of the KIC Strategic Agenda, KIC partners act in the best interest of the KIC, safeguarding its goals, mission and identity.

- e) The KIC must have an IP Board in place in order to advise on intellectual property rights related issues.
- f) These principles must be transposed in the KIC internal arrangements (see Article 5.3).

ARTICLE 7 — KIC ACTIVITIES AND OPERATIONS

7.1 Sound portfolio management principles

- a) The KIC must ensure sound management in carrying out its activities and operations.

This includes:

- sound financial management: principles of economy, efficiency and effectiveness, including a lean and cost-efficient structure that keeps administrative and management costs to a minimum;
- sound portfolio selection and management:
 - principles of transparency, equal treatment, avoidance of conflict of interest, confidentiality;
 - pre-defined criteria and selection procedure ensuring impactful and quality KIC activities which contribute to the KIC's strategic objectives;
 - risk management in place, including cases when some KIC partners cannot meet the original commitments;
 - systemic, effective and reliable monitoring of progress towards KIC strategic objectives and other aspects of EIT KIC model, in line with Article 11, allowing the KIC to fast-track, re-orient or stop KIC activities.

- b) KIC activities must:

- have clear outputs / results contributing to the KIC strategic objectives;
- implement communication, dissemination and exploitation plan(s);
- be subject to a formal ex-post impact assessment within at least five years after the end of the activity, to follow the impact of the activity's outputs,

unless the nature of the activity justifies it otherwise.

7.2 Openness and transparency

The KIC must:

- a) ensure continuous openness and transparency during implementation, notably for priority setting;
- b) involve all relevant partners and stakeholders to maximise its impact;

- c) be open to new partners by raising awareness among stakeholders and encouraging their participation, and remain open during its lifetime;
- d) ensure a high degree of openness when managing KIC funding schemes, including openness of calls for projects to non-KIC partners;
- e) be transparent, by publishing on its website and providing the EIT with information and key documents in due time about the following:
 - KIC vision, objectives and main activities, as defined in the KIC Strategic Agenda;
 - KIC set-up and governance including the KIC LE and the entities with a CLC role: KIC governance and management bodies, decision-making process, the articles of association and other documents laying down the legal structure of the KIC, KIC Code of Conduct;
 - KIC partnership: partner categories, names, partner entry and exit criteria, application process for becoming a KIC partner and redress procedure;
 - KIC activities:
 - final KIC Business Plans, annual progress reports, information on ongoing activities, outcome and results;
 - procedure for the preparation of the KIC Business Plans, including the identification of priorities, the selection of activities (e.g. the calls for proposals and other funding schemes managed by KIC), list of selected activities and allocation of funds, and the redress procedures;
 - calls for tenders (i.e. procurement procedures) of the KIC LE and entities with a CLC role;
 - calls for EIT RIS hubs;
 - open and transparent selection and recruitment in the KIC LE and entities with a CLC role;
 - KIC IP Policy;
- f) publish its funding schemes on the EU Funding & Tenders Portal under Horizon Europe.

7.3 KIC added-value activities

Activities managed by the KIC as part of its Business Plan are considered KIC added-value activities.

Within the frame of the Business Plan, joint liability for the technical implementation of the action must be understood as applying at the level of the KIC added-value activities.

Moreover, specific IPR obligations, such as agreements on background and access rights for implementing the action and exploiting results are limited to the KIC added-value activities. In addition, the KIC's IP Policy may set out rules regarding the right of joint owners to grant non-exclusive licences to third parties to exploit jointly-owned results.

7.4 Knowledge triangle integration activities

7.4.1 Research and innovation activities

The KIC runs activities supporting innovation to develop innovative products, processes and services that address a specific business opportunity.

The KIC must ensure the following:

- a) each innovation activity should have a clear commercialisation strategy for the outputs, indicating close cooperation with the clients/citizens/users, financial returns from the innovation activity and its contribution towards achieving KIC financial sustainability;
- b) the co-funding level of the innovation activities should be at least 30%, counted as the average for the whole portfolio of innovation activities of the KIC.

7.4.2 Education and training activities

The KIC runs education and training activities with strong entrepreneurship and innovation components to train the next generation of talents.

The KIC designs and implements education programmes, in particular at master, doctoral and professional levels, which may be labelled in line with the EIT Label framework adopted by the EIT.

7.4.3 Business creation and support activities

The KIC runs business creation and support activities, such as accelerator schemes to help entrepreneurs translate their ideas into successful ventures and speed up their growth and development process.

7.5 EIT RIS activities

The KIC runs activities in order to

- improve the knowledge triangle integration and the innovation capacity of local ecosystems in the countries and regions that have modest and moderate innovation performance, and
- attract new partners in the KIC and link the local ecosystem to pan-European innovation.

7.6 Supporting the entrepreneurial and innovation capacity of higher education

The KIC runs activities to support the entrepreneurial and innovation capacity of higher education targeting mainly higher education institutions that are not KIC partners in the innovation value chains and ecosystem across the Union.

7.7 Ecosystem coordination, support and management activities

The KIC runs activities which are necessary to manage the ecosystem and ensure the high level of impact in accordance with the KIC Strategic Agenda. This includes KIC administration and management and other activities such as strategic planning, dissemination, awareness-raising, communication, networking, coordination or support services, policy dialogues and mutual learning exercises and studies.

7.8 Synergies and complementarities

In order to achieve synergies and complementarities between existing KICs, other European partnerships and with different actors and initiatives at European Union and global level, while avoiding duplications, the KIC must engage in activities which allow for:

- stronger cooperation between the KICs, e.g. via Cross-KIC activities and shared services;
- sharing and disseminating innovative practices and lessons learnt throughout Europe and beyond, via strategic alliances with key innovation actors at EU and international level;
- providing input to innovation policy discussions and contributing to the design and implementation of EU policy priorities by engaging with relevant European Commission services, other EU programmes and their stakeholders;
- engaging with EU Member States, at both national and regional level, to ensure structured and coordinated efforts to enable synergies with national and regional initiatives, including smart specialisation strategies;
- developing synergies with other EU programmes, including those supporting human capital development and innovation;
- stimulating the creation of innovative companies in close synergy, coherence and complementarity with the European Innovation Council.

ARTICLE 8 — KIC COMMUNICATION AND VISIBILITY

8.1 Communication — Promoting the KIC

The KIC must promote its activities (as stipulated in Article 7.2 (e)) and results by providing targeted information to multiple audiences (including the main stakeholders in Member States, the media and the public across the European Union) in a timely, strategic, coherent and effective manner.

When engaging in communication and promotion activities, the KIC must follow the logos and guidelines provided in the EIT Community Brand Book published on the EIT website.

In particular, activities funded through EIT grants must display the European flag (emblem) and funding statement (translated into local languages, where appropriate):



Funded by the
European Union



Co-funded by the
European Union



Funded by the
European Union



Co-funded by the
European Union

and the special logo of the KIC:



and the following text:

“KIC [name] is supported by the European Institute of Innovation and Technology (EIT), a body of the European Union”

for all communication activities and infrastructure, equipment or major results.

Before engaging in a communication activity expected to have a major media impact, the KIC Legal Entity must inform the EIT in due time.

Any communication activity related to the KIC must use factually accurate information.

ARTICLE 9 — KIC FINANCING AND FINANCIAL SUSTAINABILITY

9.1 EIT grants

The EIT will make an invitation or launch calls for proposals to fund the activities set out in the EIT Regulation, the EIT Strategic Innovation Agenda and the KIC Strategic Agenda.

The EIT will award the grants following a transparent and objective selection process, in line with the evaluation procedure and award criteria set out in the invitation or call.

If the EIT decides to award a grant, the parties will enter into a grant agreement.

The financial envelopes available for these grants will depend on the annual budgetary commitments made available to the EIT.

9.2 Financial sustainability

In accordance with the EIT Regulation, the EIT Strategic Innovation Agenda and the EIT Governing Board decision on the principles of KICs' financial sustainability, the EIT will gradually reduce its funding rate for KIC added value activities, in order to ensure that the KIC increasingly finances its knowledge triangle activities independently of contributions from the EIT.

The KIC must have a financial sustainability strategy including diversified revenue streams.

The KIC should aim to maximise the share of the contributions that come from other public and private sectors. In accepting such contributions, the KIC must respect its Code of Conduct.

9.3 Commercial activities

The KIC is expected and encouraged to develop commercial activities in its thematic area.

In engaging in such activities, the KIC must respect its Code of Conduct.

CHAPTER 3 INFORMATION, MONITORING AND REPORTING

ARTICLE 10 — INFORMATION

The KIC must maintain relations of mutual co-operation and regular and transparent exchanges of information with the EIT.

The KIC must, in particular, provide any information requested in order to verify the proper implementation of the KIC Strategic Agenda and compliance with the other obligations under the Agreement.

The information provided must be accurate, precise, timely and complete and in the format requested, including electronic format.

The KIC must inform the EIT of events which are likely to delay or impact the implementation of the KIC Strategic Agenda, circumstances that affect compliance with requirements under the Agreement and other matters of common interest related to the KIC.

ARTICLE 11 — KIC MONITORING AND REPORTING

11.1 Monitoring

The KIC must set up and implement an effective monitoring system to report on continuous basis on the inputs, activities, outputs and results, in line with its overall intervention logic outlined in the KIC Strategic Agenda, the EIT Impact Framework, and other aspects of the

EIT KIC model (such as progress towards financial sustainability, KIC Partnership, KIC administrative and management costs).

The KIC must put in place a process in order to evaluate high potential activity outcomes and to flag underperforming activities so as to take corrective measures.

The reporting and monitoring system of the KIC must be built into the overall Horizon Europe monitoring system, in particular by implementing common data models including data collection stored in Horizon Europe common database. Together with the EIT, the KIC must ensure that detailed information arising from their monitoring and evaluation process is made available timely and is accessible in a common e-database on Horizon Europe implementation.

The results of the monitoring must feed into the KIC business planning processes and into the strategic coordinating process for the European partnerships.

11.2 Annual progress reports

The KIC must provide periodic reporting in compliance with the grant agreements. If requested by the EIT and in line with the KIC Business Plan (including the agreed and validated indicators), the KIC must also provide a yearly progress report, in order to report on the implementation of the KIC Strategic Agenda, in particular on:

- quantitative and qualitative leverage effects, including committed and actually provided financial and in-kind contributions, visibility and positioning in the international context, impact on research and innovation related risks of private sector investments;
- detailed information on all calls for proposals within partnerships (including evaluation results, projects funded and results achieved; also to be made available timely and accessible in a common e-database);
- any inputs, activities, outputs and results in line with its overall intervention logic.

11.3 Reinforced monitoring

At the request of the EIT in justified situations, the KIC must allow for reinforced monitoring measures, such as access to governance bodies (with observer status), regular progress meetings and enhanced activity reporting.

ARTICLE 12 — EIT REVIEWS AND EVALUATIONS

12.1 Reviews

The EIT will carry out reviews (such as the interim review covering the first three years of this Agreement or the first three years following the extension of this Agreement, the seven-year review and the final review in the fifteenth year) on the KIC and, in particular, on the achievement of the KIC Strategic Agenda and compliance with the obligations under the Agreement.

The EIT may also carry out reviews on specific thematic aspects of the KIC's operations.

Such review may be done with the help of independent external experts.

They may include meetings and on-the-spot visits.

The KIC must cooperate diligently and provide any information and data requested (including in electronic format) and allow for full access to premises.

12.2 Monitoring and evaluations

The EIT will carry out continuous monitoring and periodic evaluations (including the reviews; see Article 12.1) of the output, results and impact of the KIC, measured against its objectives and impact indicators as set out in the KIC Strategic Agenda in accordance with the EIT Impact Framework and the Horizon Europe framework. Such evaluations will include measuring the progress of the KIC towards financial sustainability, European added value, cost-efficiency and openness to new members.

The evaluations may be done with the help of independent external experts.

In addition, the KIC as an institutionalised European partnership must participate in the Horizon Europe evaluations. As part of evaluation process, the KIC must undertake a self-assessment on the institutionalised European partnership criteria laid down in Annex III of the Horizon Europe Regulation.

The KIC must cooperate diligently and provide any information relevant to evaluate the output, results and impact of the KIC, including information in electronic format. More specifically, the KIC must maintain an up-to-date database of the learners involved in the KIC education and training activities and EIT graduates as well as of entrepreneurs, start-ups and scale-ups that are or have been supported by the KIC.

12.3 Phasing out of the funding to a KIC

12.3.1 Phasing out of the funding due to inadequate progress

In case inadequate progress in implementing the KIC Strategic Agenda is discovered (for instance, during the continuous monitoring or periodic evaluations; see Article 12.2) or if the KIC is found to lack European added value, the EIT will take appropriate corrective measures.

12.3.2 Phasing out of the funding to a KIC

In line with Article 3 and the EIT Regulation, the EIT may decide not to extend the duration of this Agreement. Such decision will be taken on the basis of the seven-year review.

Before expiry of the Agreement (and subject to the positive outcome of the fifteenth-year review), the EIT and the KIC may conclude a Memorandum of Understanding to define future cooperation, including the rights and obligations linked to the continuation of the knowledge triangle activities as well as maintenance of the KIC's ecosystem and network, and the conditions for participation in EIT competitive calls for some specific activities, including Cross-KIC activities.

The KIC's financial sustainability strategy should serve as the exit strategy and should include measures for achieving financial independence from the EIT grant at the latest after fifteen years.

CHAPTER 4 FINAL PROVISIONS

ARTICLE 13 — COMMUNICATION BETWEEN THE PARTIES

13.1 Forms and means of communication

All communications under this Agreement must be made in writing and clearly identify the Agreement (Agreement number and KIC name).

Formal notifications must be sent by registered post with proof of delivery to the addresses set out below.

Other communications may be sent by paper or to the e-mail addresses set out below (or via other means agreed with the EIT).

13.2 Date of communication

Communications are considered to have been made when the receiving party receives them.

E-mail communications are considered to have been received at the same time as they are sent by the sending party. If the sending party receives a non-delivery report, it must immediately try to send the communication via other means.

Paper communications are considered to have been received when they arrive at the receiving party as proven by the entry stamp at the EIT official mailing address.

Formal notifications are considered to have been received on either:

- the delivery date registered by the postal service or
- the deadline for collection at the post office.

13.3 Addresses for communication

Paper communications and formal notifications to the EIT must be sent to the official mailing address indicated on the EIT website. E-mail communications must be sent to the following e-mail address: [insert functional mailbox].

All communications to the KIC will be sent to the following address of the KIC LE:

[name of the organisation]

[full official address]

Email address: [complete]

ARTICLE 14 – CONFIDENTIALITY

The parties must keep confidential any data, documents or other material (in any form) that is identified as sensitive in writing, or which the receiving party can reasonably understand to be of a confidential nature ('sensitive information').

Unless otherwise agreed between the parties, they may use sensitive information only to implement the Agreement.

The KIC LE may disclose sensitive information to its personnel or other KIC partners only if they:

- (a) need to know it in order to implement the Agreement and
- (b) are bound by an obligation of confidentiality.

The EIT may disclose sensitive information to its staff and to other EU institutions and bodies.

It may moreover disclose sensitive information to third parties, if:

- (a) this is necessary to implement the Agreement or safeguard the EU financial interests and
- (b) the recipients of the information are bound by an obligation of confidentiality.

The confidentiality obligations no longer apply if:

- (a) the disclosing party agrees to release the other party
- (b) the information becomes publicly available, without breaching any confidentiality obligation
- (c) the disclosure of the sensitive information is required by EU or national law.

ARTICLE 15 – DATA PROTECTION

15.1 Data processing by the EIT

Any personal data under the Agreement will be processed in compliance with Regulation 2018/1725¹² and under the responsibility of the data controller of the EIT in accordance with and for the purposes set out in the privacy statement published on the EIT website¹³.

15.2 Data processing by the KIC

The KIC must ensure that the processing of personal data complies with the applicable EU and national law on data protection (in particular, Regulation (EU) 2016/679¹⁴).

¹² Regulation (EU) 1825/2018 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39)

¹³ <https://eit.europa.eu/who-we-are/legal-framework/data-protection>

¹⁴ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data, and repealing Directive 95/46/EC ('GDPR') (OJ L 119, 4.5.2016, p. 1)

ARTICLE 16 — INTERPRETATION OF THE AGREEMENT

The provisions in the Agreement take precedence over Annex 1.

ARTICLE 17 — AMENDMENTS

17.1 Conditions

The Agreement may be amended, unless the amendment entails changes to the Agreement which would call into question the designation decision of the EIT Governing Board or breach the principle of equal treatment.

Amendments may be requested by any of the parties.

17.2 Procedure

The party requesting an amendment must submit a request for amendment in writing.

The KIC LE submits and receives requests for amendment on behalf of the KIC.

The request for amendment must include:

- the reasons why and
- the appropriate supporting documents.

The EIT may request additional information.

If the party receiving the request agrees, it must sign the amendment within 45 calendar days of receiving notification (or any additional information the EIT has requested). If it does not agree, it must formally notify its disagreement within the same deadline. The deadline may be extended, if necessary for the assessment of the request. If no notification is received within the deadline, the request is considered to have been rejected.

An amendment enters into force on the day of the signature of the receiving party.

An amendment takes effect on the date of entry into force or other date specified in the amendment.

ARTICLE 18 — TRANSFER OF THE AGREEMENT

In justified cases, the KIC LE may request the transfer of the partnership to a new KIC LE, provided that this would not call into question the designation decision of the EIT Governing Board or breach the principle of equal treatment.

The KIC LE must submit a request for amendment (see Article 17), with

- the reasons why and
- the transfer agreement signed by the new LE.

The new KIC LE will assume the rights and obligations under the Agreement with effect from the date of transfer specified in the transfer agreement.

ARTICLE 19 — SUSPENSION

The parties may suspend the Partnership Agreement in case of force majeure or serious breach of obligations under the Agreement or the KIC designation procedure (including improper implementation of the KIC Strategic Agenda, submission of false information, failure to provide required information, non-compliance with call conditions, breach of ethical principles, etc.).

ARTICLE 20 — TERMINATION

The parties may request the termination of the Partnership Agreement in case of force majeure or serious breach of obligations under the Agreement or the KIC designation procedure (including improper implementation of the KIC Strategic Agenda, submission of false information, failure to provide required information, non-compliance with call conditions, breach of ethical principles, etc.).

The party terminating the Agreement must formally notify termination to the other party, stating:

- the reasons why and
- the date the termination takes effect; this date must be after the notification.

The termination will **take effect** on the day specified in the notification.

Termination of the Agreement does not release the parties from their obligations under other agreement(s) they have concluded (including grant agreements), unless they have also been terminated.

Neither party may claim damages due to termination by the other party.

ARTICLE 21 — APPLICABLE LAW AND SETTLEMENT OF DISPUTES

21.1 Applicable law

The Agreement is governed by the applicable EU law, supplemented if necessary by the law of Belgium.

21.2 Dispute settlement

If a dispute concerns the interpretation, application or validity of the Agreement, the parties must bring action before the EU General Court — or, on appeal, the EU Court of Justice — under Article 272 of the Treaty on the Functioning of the EU (TFEU).

ARTICLE 22 — ENTRY INTO FORCE AND TRANSITIONAL PROVISIONS

22.1 Entry into force *[Only for existing KICs: and repeal]*

Without prejudice to the exceptions laid down in the transitional provisions below, the Agreement will enter into force with retroactive effect on 1 January 2021, provided that both parties have signed it *[Only for existing KICs: and will repeal Framework Partnership Agreement [insert number] of [insert date] with retroactive effect on 1 January 2021]*.

22.2 Transitional provisions

The good governance principles laid down in Article 6.1 must be transposed in the internal arrangements of the KIC (e.g. KIC internal agreements, bylaws, procedures) and the KIC must be able to demonstrate compliance with these principles by 31 December 2021, with the exception of the eighth bullet point of Article 6.1(a) for which the KIC must be able to demonstrate compliance by 31 December 2022.

The openness and transparency requirements set out in Article 7.2(a)-(d) must be complied with as from the preparation of the Business Plan whose implementation will start on 1 January 2022.

The openness and transparency requirements set out in Article 7.2(e)-(f) must be complied with by 31 December 2021.

The obligation to ensure the KIC's data in the Horizon Europe common database set out in Article 11.1 must be complied with as from the launch of the calls of the KIC for its activities to be included in the Business Plan whose implementation will start on 1 January 2022.

SIGNATURES

For the KIC Legal Entity
[function/forename/surname]

Done in English
In on [date]

For the EIT
[function/forename/surname]

Done in English
In on [date]

KIC STRATEGIC AGENDA