European Commission

# CALL FOR EVIDENCE
# FOR AN INITIATIVE (without an impact assessment)

This document aims to inform the public and stakeholders about the Commission's work, so they can provide feedback and participate effectively in consultation activities.

We ask these groups to provide views on the Commission's understanding of the problem and possible solutions, and to give us any relevant information they may have.

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| **TITLE OF THE INITIATIVE** | Revision of the EIT Regulation and of the Strategic Innovation Agenda |
| **LEAD DG – RESPONSIBLE UNIT** | EAC.C.1 |
| **LIKELY TYPE OF INITIATIVE** | Regulation accompanied by a Decision of the European Parliament and the Council |
| **INDICATIVE TIMING** | Q4 2026 |
| **ADDITIONAL INFORMATION** | European Institute of Innovation and Technology (EIT) |

*This document is for information purposes only. It does not prejudge the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by this document, including its timing, are subject to change.*

## A. Political context, problem definition and subsidiarity check

### Political context

President Ursula von der Leyen's Political Guidelines (2024-2029) place innovation at the heart of Europe's economy and competitiveness. In a context marked by intensifying global competition, rapid technological change, strategic dependencies and an evolving geopolitical landscape, Europe must strengthen its capacity to generate, attract, retain and scale innovation. The European Commission's priority on innovation is centred on accelerating Europe's technological sovereignty, green and digital transitions and economic resilience, while addressing long-standing challenges like fragmentation, funding gaps and skills shortages. The Commission has made industrial sovereignty a cornerstone of its economic and strategic agenda, particularly in response to global supply chain vulnerabilities and geopolitical tensions.

In this context, the European Institute of Innovation and Technology (EIT) can help make Europe more attractive as a place where academia, researchers, innovators and entrepreneurs, from Europe and beyond, choose to develop ideas, skills, technologies and companies. By positioning its knowledge and innovation communities (KICs) as globally visible sector-specific innovation hubs that anchor talent, early-stage entrepreneurship and research within Europe, the EIT can contribute to a broader 'Choose Europe' ambition that spans all sides of the knowledge triangle and turns European innovation potential into globally competitive outcomes.

The EIT is thus well positioned to advance the Commission's ambitions across the Competitiveness Compass and the Startup and Scaleup Strategy. In particular, it can help strengthen European innovation ecosystems, support early-stage entrepreneurship and talent, and move innovative ideas more effectively from research to market. According to the Draghi report, bridging innovation gaps, scaling breakthroughs and aligning education with industry needs are key to Europe's competitiveness.

### Problem the initiative aims to tackle

The European Union has made significant progress in recent years in fostering and strengthening innovation ecosystems, but several structural challenges continue to limit its competitiveness and innovation performance:

- innovation policies, funding and regulatory frameworks still vary significantly across Member States, creating fragmentation and barriers to cross-border collaboration;
- despite strong academic and R&D capacity, Europe continues to underperform in translating research and knowledge into commercial innovations and scalable ventures;

- the EU also faces an innovation funding gap, difficulties in access to finance for start-ups and scale-ups, and persistent disparities between regions, with ‘widening’ countries still lagging behind in terms of investment in innovation and access to finance;
- at the same time, Europe faces shortages of highly skilled specialists and continuing cultural gaps between academia and business.

Against this background, it is necessary to revise the EIT Regulation and the EIT Strategic Innovation Agenda to ensure that the EIT can more effectively support European competitiveness and respond to changing priorities. Key issues include the following.

1. Financial sustainability and efficiency: the financial sustainability of KICs and the efficiency of the activities financed need to be enhanced, to ensure the best value for money and increase impact.
2. Lack of flexibility and difficulty aligning with EU priorities: the current model lacks the flexibility to adapt to evolving political priorities, industry shifts and unforeseen events.
3. Complexity of the KIC model and governance: stakeholders point to administrative complexity in the EIT/KIC set-up as a major underlying issue and highlight governance challenges between education, business and research. Full compliance by KICs with the financial and ethical rules of EU funds remains essential to protect the EU’s financial interests, with their integration under the Horizon work programme and comitology, and stronger oversight by the EIT.
4. Overlap of EU instruments supporting innovation: the EIT’s role and mission need to complement the role and mission of other EU instruments such as those included in the innovation pillar of Horizon Europe, e.g. European Innovation Council and innovation ecosystems, as well as the future European Competitiveness Fund and instruments such as joint undertakings. This would avoid funding gaps, duplication and overlaps, and provide clarity to beneficiaries looking for funding opportunities.
5. The continuation of activities for existing KICs: while KICs have created ecosystems and streams of activities that may require EU support, self-sustainability is one of the conditions for supporting KICs in the first place.

## Basis for EU action (legal basis and subsidiarity check)

### Legal basis

The initiative is based on Article 173 of the Treaty on the Functioning of the European Union (industry), which aims to ensure that the conditions necessary for the competitiveness of EU industry exist. In this context, action by the EU and its Member States must aim to promote better use of the industrial potential of innovation, research and technological development policies. Article 173(3) provides that the European Parliament and the Council, acting in accordance with the ordinary legislative procedure referred to in Article 294, may decide on specific measures in support of action taken in the Member States to achieve the objective referred to. In particular, the initiative would contribute to sustainable economic growth and competitiveness by boosting the EU’s innovation capacity in order to address major societal challenges. It will help create an innovation ecosystem by integrating the knowledge triangle (education, research and business).

### Practical need for EU action

The practical need for EU-level action is driven by the transnational nature of the challenges facing Europe’s innovation landscape and the EIT. These challenges include fragmented innovation support and uneven participation across regions and cannot be effectively resolved by Member States acting alone. A coordinated EU-level approach is essential to: (i) ensure a consistent pan-European impact, (ii) create a level playing field for innovators across all regions and countries – including those with modest or moderate innovation performance – and (iii) address systemic barriers that undermine European competitiveness. This approach fully respects the subsidiarity principle, as only EU action can address systemic barriers that limit the EU’s ability to drive competitiveness and support strategic priorities like the Competitiveness Compass and the Startup and Scaleup Strategy.

## B. What does the initiative aim to achieve and how

The revision of the EIT Regulation and of the EIT Strategic Innovation Agenda aims to address the structural challenges identified above and to make the EIT a more flexible, impact-driven and strategically aligned instrument in support of Europe’s competitiveness that is integrated into the innovation ecosystems part of Horizon Europe.

More specifically, the initiative would aim to:

- strengthen innovation ecosystems through deeper integration of the knowledge triangle, bringing education, research and business into closer and more operational collaboration across Europe to create

innovative and competitive activity that increases the financial sustainability of KICs, in line with EU priorities and the overarching principles of the next multiannual financial framework (MFF) of having a simpler, more impactful and efficient use of EU funds;
- support a stronger 'Choose Europe' dimension by making Europe more attractive for innovators, researchers, entrepreneurs and students through high-quality ecosystems, entrepreneurial education and clearer pathways from ideas to markets;
- improve Europe's capacity to translate research and knowledge into innovation, including through stronger support for start-up creation, incubation, market deployment and investment readiness;
- reinforce entrepreneurial education, skills development and talent formation, including stronger links between education, research and companies, in order to help talent set up and develop their own innovative firms;
- promote stronger complementarity and clearer synergies with other EU innovation instruments, in particular the other innovation ecosystems actions, the European Innovation Council and the European digital innovation hubs (including their successors);
- strengthen synergies with the European Competitiveness Fund (ECF) and Horizon Europe by ensuring that the EIT and its KICs actively contribute to the investment journey, aligning their activities with the ECF's priorities and thematic windows to support skills development and market deployment of innovations, while avoiding duplication and overlaps;
- achieve full compliance by KICs with financial and ethical rules to protect the EU's financial interests, enhance the governance of KICs, including their integration under Horizon's work programme and comitology, and reinforce the EIT's oversight and control;
- reduce unnecessary complexity and provide a more flexible funding and implementation model, enabling the EIT and the KICs to respond more effectively and powerfully to changing EU priorities and emerging technological and industrial developments;
- support regional innovation capacity and convergence by strengthening networks and participation across Europe, including in less innovative regions;
- strengthen control and auditing capacity to advise on and perform sound financial management.

**Likely impacts**

The initiative is expected to help boost European competitiveness by: (i) supporting robust innovation ecosystems, (ii) reducing fragmentation in the innovation landscape, (iii) addressing the innovation divide and (iv) helping close the innovation funding gap in Europe. It will help researchers, innovators, and early-stage entrepreneurs bring innovative ideas to the market and strengthen Europe's capacity to generate innovative firms.

Concretely, the EIT and its KICs are expected to:

- increase the number and quality of European start-ups, enhancing EU-based intellectual property, supported by access to enabling environments such as testbeds, living labs and specialised infrastructure, thereby reducing early-stage risk and improving growth prospects;
- improve coordination among universities, corporations, early-stage entrepreneurs and risk-capital providers, including by reducing administrative burdens, accelerating knowledge transition, supporting co-creation and helping translate ideas into marketable innovation;
- strengthen leverage effects while focusing KIC activity on early-stage innovation in complementarity with other EU innovation instruments and without creating overlap;
- strengthen regional innovation capacity and support convergence, including by leveraging Europe's collaborative strengths and pan-European networks.

The initiative is also expected to strengthen the EIT's education and skills offer by strengthening support for entrepreneurial skills development, fostering stronger links between education, research and companies, and reinforcing the talent base needed for Europe's long-term innovation capacity.

Furthermore, a new, more flexible and less complex funding model is expected to provide greater continuity for the ecosystem and knowledge triangle integration activities of the KICs.

**Future monitoring**

The implementation and impact of the revised EIT Regulation will be closely monitored by the EIT and the Commission to ensure it effectively addresses the challenges identified, notably on governance and compliance with EU financial and ethical rules, and delivers on its objectives. External evaluations will be carried out. Performance assessments will focus in particular on: (i) additional private and public investment leverage, (ii) start-up creation and incubation, (iii) innovative products and services launched on the market, (iv) density and collaboration activity within innovation networks, and (v) the attractiveness and quality of entrepreneurial education and skills programmes.

## C. Better regulation

### Impact assessment

The proposed revision of the EIT Regulation is fully covered by the overall analysis of competitiveness challenges for the EU and of the existing funding landscape included in the Impact Assessment underpinning the European Competitiveness Fund. This impact assessment was informed by the extensive consultation on EU funding for competitiveness (part of the overall public consultation on the next MFF), which comprehensively assessed 14 EU programmes – including Horizon Europe and, by extension, the EIT and its role in supporting innovation ecosystems. As such, the initiative does not require an impact assessment.

### Consultation strategy

The aim of the consultation is to gather more information about the current challenges faced by the EIT and its KICs. This includes the issues and challenges involved in strengthening the KICs' innovation ecosystems, as well as possible solutions. The consultations will complement the extensive information and evidence already collected in the context of: (i) the open public consultation on EU funding for competitiveness (which informed the impact assessment of the European Competitiveness Fund), (ii) the report entitled 'Align Act Accelerate. Research, Technology and Innovation to boost European Competitiveness' (lead author Manuel Heitor, September 2024), (iii) the findings of the interim evaluation of the Horizon Europe Framework Programme (SWD(2025) 110 final), and (iv) other reports drawn up by the Commission's Joint Research Centre.

More specifically, stakeholders are invited to address the following questions.

1. Do you agree with the main problems and challenges identified, including the need to strengthen Europe's competitiveness through more effective innovation ecosystems, stronger knowledge-triangle integration and better translation of knowledge into market impact? What are the main features of the EIT, common to all or most of its KICs, that have contributed most (and can further contribute) to strengthening Europe's competitiveness?

2. How could the EIT and its KICs better support Europe's attractiveness for talent, innovators and entrepreneurs across education, research and business, while reinforcing Europe's long-term innovation capacity?

3. How could the EIT and its KICs better collaborate with other EU innovation instruments and EU financial programmes in the next MFF, both within Horizon Europe and the European Competitiveness Fund, in order to ensure complementarity, clarity and coherent support while avoiding overlap and duplication across the investment journey?

4. What changes to the funding and implementation model would best improve flexibility and governance, reduce complexity, and strengthen support for ecosystem-building, entrepreneurial skills and early-stage innovation while preserving incentives for impact and private investment? How could the KICs ensure closer alignment with the protection of the EU's financial interests and ethical rules?