



# Partner Categories February 2020

The EIT – Making Innovation Happen



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## Introduction

With the imminent establishment of the legal entities, being the EIT Urban Mobility Association and the EIT Urban Mobility S.L., we're entering a new phase with regard to the governance and legal setup of our operation.

As agreed at the GA in Barcelona December 12th 2018, we continued to act under the governance rules as laid down in the Proposal Agreement until the setup of the legal entities. After the registration of the Association, individual partners accede as members to the association. Also the Association will, directly after its official registration, set up a wholly owned limited liability company, EIT Urban Mobility S.L..

EIT Urban Mobility S.L. will become the KIC Legal Entity. Once both entities are established the respective legal documents (AoA and bylaws of both the Association and the KIC LE) will apply. As a consequence of that we also need to redefine our partner categories. This redefinition and possible refinement of partner categories will be prepared for a GA decision at the next GA September 4th in Prague.

The redefinition is mainly affecting the position of the current Affiliate partners and enables alignment with the partner categories according to EIT's FPA/SGA terminology. We also need to secure a mechanism that caters for our ambition to grow and which contributes to our impact delivery and financial sustainability. Hence partner categories are creating the stepping stones for growing our community and help us to identify organisations which might become new members of the Association. In this respect the interim Management Team felt that the short term growth ambition as stated in the MOBiLus proposal was too modest and required rethinking and revision.

## Legal and contractual context

The KIC is composed by a KIC legal entity (KIC LE) and KIC partner organisations. The KIC is legally framed by the multi-beneficiary Framework Partnership Agreement (FPA) and the yearly Specific Grant Agreements (SGA). These contracts will be signed by the EIT and the KIC Legal Entity (KIC LE), representing the partnership. Therefore the EIT has a legal relationship with the KIC LE and with the KIC Partners. The KIC Partners are mandating the KIC LE to sign the SGAs on their behalf by means of their Accession Form to the FPA. KIC partners become eligible to benefit from the EIT grant only by the approval of the EIT of their accession to the Framework Partnership Agreements (FPA).

It needs to be pointed out that acceding the Framework Partnership Agreement and thereby becoming a partner of EIT Urban Mobility in the eyes of the EIT does not mean that the respective partner can or must also become a core partner and thereby member of the EIT Urban Mobility Association. According to the EIT, the KIC's flexibility and autonomy may result in implementation of different KIC structures (in our case an association, which wholly owns a limited liability company). The KIC partnership reflected in the FPA may equal, be larger or be smaller than the group of KIC LE or the Association. The KICs' internal terminology to categorise its KIC Partners and other involved organisations may be different from the one used in FPA/SGA agreements.

EIT FPA/SGA terminology distinguishes the following categories:

- KIC Partners (listed in FPA Annex 2), in our case the core partners Tier 1 and Tier 2 and Project Partners (as mentioned in article 15 of the KIC LE by-laws).
- Third parties:
  - linked third parties (listed in FPA annex 5);
  - subcontractors; third parties contributing in-kind free of charge/against payment; third parties receiving financial support;
  - international partners (listed in FPA annex 7)

Entities may only receive an EIT grant if they accede the Framework Partnership Agreement – as KIC Partners - or are listed therein - as a linked third party. These entities have also direct reporting obligation towards the EIT. The mentioned entities listed in the Framework Partnership Agreement shall be also part of the Specific Grant Agreements in order to be able to claim costs.

Besides, other entities may receive funding from the EIT grant if this complies with the relevant provisions of the FPA and SGA – e.g. subcontractors, other third parties contributing in-kind and third parties receiving financial support.

All KIC Partners having acceded to the Framework Partnership Agreement are part of the Specific Grant Agreements and they accede to it by the signature of the KIC LE. The KIC Partners may be ‘active’ or ‘inactive’ under one Specific Grant Agreement. As an active KIC Partner, the entity is involved in an action, thus, its role has to be described in the relevant section of the Business Plan

An international partner is a legal entity established in a non-associated third country. They are allowed to participate in the action without EU funding. They are not KIC Partners and do not receive EIT funding

## Proposal for EIT Urban Mobility Partner Categories

In order to stimulate dynamics within the partnership and to increase the leverage on impact of EIT Urban Mobility, there is a need for non-overlapping partner categories. The overall structure of partner categories intrinsically foresees and stimulates a process of upgrading of partners’ level of engagement in our operation. By doing so, it contributes to important aspects of financial sustainability and balance of costs and benefits among the different categories. Whilst we need to be open for participation of non-members of the association, in order to fulfil our ambitious impact targets, we need a partner participation model in terms of rights and obligations as well as financial contribution, that rewards long-term, strategic engagement of partners. The cost-benefit-ratio should improve for partners as they climb the partner category ladder.

The proposed partner participation model caters for both legal requirements (s. legal context) as well as strategic considerations as described above. In the new model, the category of affiliate partners is eliminated and replaced by two new partner categories: project partner and network partner.

Partner Type	Member of the association	Accede and sign the FPA (KIC partner in view of EIT)	KIC LE participation	Innovation Hub participation	EIT funding*	Fee	Acceptance process	Accession process****	Limitations of duration
Core Partner Tier 1	Yes	Yes, mentioned in annex 2 FPA	shaping Strategy of EIT UM, ambassadors for EIT UM, access to all meetings and events, GA, EIT UM summit, ideation and matchmaking event, thematic roundtables, etc., leading project consortia	advisory board of the IH, access to all meetings and events, quarterly IH meeting, ideation and matchmaking event, thematic roundtables, etc.	Uncapped	€ 50K/y	Minimum of 85% of members iMT> GA	After GA decision	None
Core Partner Tier 2	Yes	Yes, mentioned in annex 2 FPA	shaping Strategy of EIT UM, ambassadors for EIT UM, access to all meetings and events, GA, EIT UM summit, ideation and matchmaking event, thematic roundtables, etc., leading project consortia	advisory board of the IH, access to all meetings and events, quarterly IH meeting, ideation and matchmaking event, thematic roundtables, etc.	Max € 300K/y	€ 30K/y	Maximum of 15% of members iMT> GA	After GA decision	None
Project Partner**	No	Yes, mentioned in annex 2 FPA	EIT UM summit, ideation and matchmaking events Other events and meetings on invitation	ideation and matchmaking events Other events and meetings on invitation	Max €150K/y, Regulated in Article 15 by-laws KIC LE Caps can differ per year and per specific call.	• 20% of EIT project funding as approved by EIT		iMT	Status based on SGA (project participation)
Linked Third Party	No, but linked to core partner	No, mentioned in annex 5 FPA	Ideation matchmaking	Ideation, matchmaking	the LTP budget should be added to the financial volume of the mother company. In case of Tier 2 the cap applies.	No fee, covered by core partner		Requires EIT approval	Linked to core partner
Third Parties: • International partners	No	No International partners mentioned	NA	NA	€ 60K/y NB International partners	No fee		• International partners: iMT	Project or activity level

<ul style="list-style-type: none"> <li>• Sub-contractors</li> <li>• Other third parties contributing in-kind</li> <li>• Third parties financially supported</li> </ul>		in annex 7 FPA			are not eligible for EIT funding			• Others: at project or activity level	
Network Partner**** *****	No	No	Public events, ideation and matchmaking on invitation only	Ideation, Matchmaking, Meetings on invitation only	none	Possible fees for event participation	Via iMT	Via iMT	On invitation only

\* caps do apply to activities based on calls for proposals only. Partners' activities for the benefit of the KIC LE as a whole are excluded from the cap calculation.

\*\* among project partners there are possibly prospective members of the association

\*\*\* among network partners there are possibly future project partners and or prospective members of the association

\*\*\*\* Only for partners which not have signed Form C of the Mobilus proposal

## Criteria for the accession of new partners

Moving Urban Mobility initiatives to a higher level is not an easy task. Experience demonstrates that what's easy to envision is not always so easy to implement. This is where our innovation community kicks in. Although disruption is the innovation buzz word, we believe in incremental but fundamental changes, based on multi-stakeholder collaboration, enabled by a data-driven approach.

What kind of partners and how many do we need in the next 3 years to achieve our goals?:

- We aim for a balanced mixture of organisations from the knowledge triangle:
  - with an open innovation mindset
  - with excellent, complementary technological and organisational competences
  - for developing, testing and piloting new products, services
  - able to challenge and adapt regulatory frameworks
  - willing to invest in and develop new knowledge, skills and capacities
  - leading to the implementation, replication and deployment of those applications
  - contributing to tackle urban mobility challenges of today and tomorrow
- There is no necessity to rigidly maintain the preferred repartition of partners as set out in the initial strategic plan and the proposal (30% Industry, 10% transport services, 25% universities/education, 10% RTOs, Knowledge Institutes, 10% Cities, 5% start-up accelerators, 10% others)
- However, there is a preference for an overall balanced growth of the knowledge triangle which should also be maintained at Innovation Hub level
- We should use our project preparation and matchmaking activities to identify gaps in the composition of the incumbent partners' competences, areas of expertise and backgrounds and search for partners which can add value and/or leverage. Filling the gaps and adding value is more important than looking at maximum numbers of partners; e.g. we're aiming for organisations active in urban planning, logistics, retail, waste

collection, transport providers (if not covered by cities), mobility service companies, possibly a railway company, data space creation & data system integration, utility companies, ...

- Industry is in need for more project partners, because the 13 cities being core partner for different reasons cannot fully cater for the needs of industry partners. This calls for growth of the number of members of the City Club
- By 2022 the association should aim to have 70 members (core partners Tier 1 and Tier2). This is twice as high as anticipated in the proposal phase.