

Brussels, 7 May 2025
(OR. en)

8526/25
ADD 16

RECH 187
COMPET 316

COVER NOTE

From: Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director

date of receipt: 30 April 2025

To: Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

No. Cion doc.: SWD(2025) 110 annex

Subject: PART 16/21 COMMISSION STAFF WORKING DOCUMENT
EVALUATION Interim Evaluation of the Horizon Europe Framework Programme for Research and Innovation (2021 - 2024) Accompanying the document Communication from the Commission to the European Parliament and the Council Horizon Europe: Research and Innovation at the heart of competitiveness

Delegations will find attached document SWD(2025) 110 annex.

Encl.: SWD(2025) 110 annex



Brussels, 30.4.2025
SWD(2025) 110 final

PART 16/21

COMMISSION STAFF WORKING DOCUMENT

EVALUATION

Interim Evaluation of the Horizon Europe Framework Programme for Research and Innovation (2021 - 2024)

Accompanying the document

Communication from the Commission to the European Parliament and the Council

Horizon Europe: Research and Innovation at the heart of competitiveness

{COM(2025) 189 final}

Annex 24: Evaluation of EIT Health

Annex to the Commission's interim evaluation of Horizon Europe

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1. Effectiveness

The EIT Health Knowledge and Innovation Community ('KIC' or 'EIT Health') was established in 2015 as part of the second wave of the EIT KICs, in accordance with Article 9 of the EIT Regulation, Regulation (EU) 2021/819¹. The first operational activities and calls were launched in 2016. The KIC's main goal is to promote entrepreneurship and develop innovations in healthy living and active ageing across Europe, enabling people to lead healthier lives and contribute to a sustainable health economy. To achieve its objectives, for the 2017-2022 period, EIT Health received an EIT grant of EUR 452 million.

EIT Health is formed by a vibrant community that includes some of the world's leading health innovators². The KIC has a presence across the EU, with more than 200 core and associate partners and more than 200 project partners involved from 2016 to 2021 across different healthcare sectors.

Objectives and achievements

EIT Health's 2021-2027 Strategic Agenda³ has set the following three objectives: (1) promoting better health for all; (2) strengthening healthcare systems in Europe; and (3) contributing to a sustainable health economy in Europe. To achieve this, EIT Health is pursuing a three-fold mission: i) developing new innovations; ii) accelerating promising ventures; and iii) creating agents of change through entrepreneurship education and training. In doing so, EIT Health has helped achieve the objectives of both the Horizon 2020 and the Horizon Europe programmes.

All of these strategic objectives are being implemented, and the results are delivered by integrating the knowledge triangle, which brings together education, science and business. In the EIT Impact Framework, the EIT has defined several key performance indicators (KPIs) for the KIC's activities in innovation, business creation and education. Table 1 shows EIT Health's achievements in terms of KPIs for 2017-2023.

Table 1: EIT Health 2017-2023 KPIs; targets (T) and achieved results (A)

	2017		2018		2019		2020		2021-2022		2023		Total	
	T	A	T	A	T	A	T	A	T	A	T	A	T	A
Innovations launched on the market	21	9	46	20	25	8	27	28	36	24	20	10	175	99
Designed/Tested innovations*									18	35	19	6	37	41
KIC Supported Start-ups/Scale-ups	101	101	307	321	282	415	335	501	420	703	154	450	1599	2491
Start-ups created of/for innovation	2	0	10	7	19	6	3	1	8	6	3	19	45	39
Start-ups created of EIT labelled MSc/PhD programmes	0	0	4	1	9	1	5	0	8	2	8	10	34	14
Investment attracted by KIC supported start-ups/scale-ups (EUR mil)	2,5	27,9	10	50,6	20,6	170	73	363	354	889	199	286	659,1	1787
Graduates from EIT labelled MSc/PhD programmes	0	0	65	35	76	53	77	54	150	127	50	79	418	348
Participants in (non-degree) education and training*									17116	19783	3640	27156	20756	46939

* KPI reported from 2021 only (designed/tested innovations reports on IPR applications).

Source: EIT administrative and monitoring data (reported by KIC and verified by EIT).

EIT Health has been remarkably effective in supporting start-ups and scale-ups operating in the healthcare sector, consistently overachieving its targets. Since 2017, the KIC has supported 2 491 start-ups and scale-ups, well above its target of 1 599. Between 2017 and 2023, start-ups supported by EIT Health attracted EUR 1 787 million in investments, more than double the target that was set at EUR 659.1 million). An increase in support to start-ups

¹ [Regulation \(EU\) 2021/819 of the EIT \(2021\)](#) replaced the original regulation, Regulation (EC) 294/2008.

² Deloitte and White Research, [7-Year Review of 2nd Wave KICs: EIT Health - Final Report](#), March 2022, p. 10.

³ [EIT-Health-Strategic-Agenda-Synopsis-2021-27.pdf \(eithealth.eu\)](#).

and scale-ups in recent years can also be observed, as in 2021-2023 the number of supported companies tripled. In 2023, EIT Health was named the world's leading public-private business accelerator by UBI Global ⁴, and in 2024, the Financial Times ranked EIT Health (together with four other KICs) among the top 125 of Europe's leading start-up hubs ⁵. In addition, 43.5% of all attracted private investments went to companies based in countries supported by the EIT Regional Innovation Scheme (RIS) ⁶.

However, challenges remain when it comes to supporting entrepreneurship and creating start-ups based on innovation and education activities. The number of start-ups created from innovation projects has been low compared to the goals set, even if there was a significant increase in 2023, as Table 1 shows. Also, between 2017 and 2023, only 39 start-ups were created as a result of innovation projects against an intended target of 45. Furthermore, according to the external evaluation report⁷, EIT Health struggles to increase entrepreneurship resulting from its EIT-labelled programmes. According to available data ⁸, only 3% of graduates joined start-ups after graduation in 2019-2022 and only 14 start-ups were created as a result of EIT-labelled education programmes, not meeting the intended goal of 34.

The KIC has underperformed in supporting the creation of healthcare solutions and their introduction into the market. However, even though EIT Health helped launch only 99 innovations on the market between 2017 and 2023 (compared to the target of 175), it supported highly promising innovations, providing funding at critical stages of the market introduction process. EIT Health's support in certification and validation processes has been deemed as especially effective, considering that the innovation portfolio fills a gap in the European healthcare market that has previously been difficult to address ⁹.

Even though several targets have not been met, the KIC is deemed to have made positive contributions to innovation activities. As highlighted in the external evaluation report ¹⁰, the reasons for this are: i) the complexities of the healthcare sector and the long time it takes to place innovations on the market; ii) lengthy pre-release processes; iii) differing rules in Member States; and iv) insufficient communication with beneficiaries after their support has finished. Based on the EIT Governing Board's recommendations, EIT Health has put in place specific measures to improve the impact of its innovation activities and therefore achieve the multiannual targets set in the 2021-2027 Strategic Agenda. These measures include supporting only the most impactful projects with more mature solutions and shorter timelines as well as improving the post-funding monitoring of projects and programmes.

As regards EIT Health's education activities, while the number of graduates from EIT-labelled MSc and PhD programmes has risen steadily from 35 graduates in 2018 to 127 graduates in 2021-2022 and 79 in 2023, EIT Health has failed to meet the target of 150 graduates set for 2021-2022. However, when it comes to graduates in RIS countries, EIT

⁴ [EIT Health recognised as world's leading public-private business accelerator by UBI Global | ScienceBusiness \(sciencebusiness.net\)](https://www.sciencebusiness.net/news/eit-health-recognized-as-worlds-leading-public-private-business-accelerator-by-ubi-global).

⁵ [Ranking - Europe's leading start-up hubs | Incubator Accelerator Programmes Europe \(ft.com\)](https://www.ft.com/content/2024/03/27/eit-health-ranked-top-125-start-up-hubs).

⁶ European Commission: Directorate-General for Research and Innovation, Denham, S., Nikinmaa, J., Conde Jimenez, R., Price Phillips, H. et al., European partnership for EIT health – Evaluation support study on Horizon Europe's contribution to a resilient Europe, Denham, S.(editor), Publications Office of the European Union, 2024, <https://data.europa.eu/doi/10.2777/049770>, p.20. According to the European Innovation Scoreboard, EIT RIS countries are modest and moderate innovator countries. They are: Bulgaria, Croatia, Czechia, Estonia, Greece, Spain, Italy, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovenia, Slovakia, Montenegro, North Macedonia, Serbia, Türkiye and Ukraine.

⁷ Partnership report – EIT Health (2024) p. 20.

⁸ Partnership report – EIT Health (2024) p. 20.

⁹ Partnership report – EIT Health (2024) p. 21.

¹⁰ Partnership report – EIT Health (2024) p. 22.

Health is performing well; between 2019 and 2022, 44% of EIT Health graduates were nationals of an RIS country. As shown in Table 1, EIT Health's non-degree education and training programmes are performing better than expected. Almost 47 000 students and professionals finished their programmes in 2021-2023 against the target of 20 000 ¹¹.

EIT Health is also effective in widening its geographical scope and narrowing the gap between countries with higher and lower innovation capacities through the RIS ¹². Similarly, it was effective in launching products and services in different countries, with the number of countries where a technology, product, or service was commercialised or put into operation increasing from 5 to 31 between 2021 and 2022 ¹³.

Long-term scientific, societal, economic and technological impacts

According to the external evaluation report ¹⁴, EIT Health has developed a wide range of programmes and activities aimed at producing positive societal, economic and technological impacts through various interventions focusing on creating better access to health for everyone, promoting a more competitive health economy and creating more sustainable healthcare systems.

In particular, the following societal impact indicators have been identified in the 2022-2027 EIT Impact Framework for the KIC's activities:

- 1) citizens and patients involved in seeking solutions for multi-morbid and chronic conditions;
- 2) citizens and patients benefiting from EIT Health products and services;
- 3) sustainable healthcare systems created;
- 4) structured processes created to step up implementation and scale up innovations, using digital tools ¹⁵.

As highlighted in the external evaluation report ¹⁶, the KIC has been making progress towards meeting its impact indicators, even though they were only introduced in 2021. However, the assessment focuses on the relevance of the KIC's activities in helping to achieve these goals, rather than on the extent of the impact already achieved.

From 2016 to 2023, directly reported data shows that EIT Health activities involved 65 480 citizens, surpassing the target of 25 600 set for 2024 in the KIC's 2021-2027 Strategic Agenda. In addition, at least 7 000 more citizens are expected to engage in the KIC's activities in 2024-2025 ¹⁷.

The number of citizens and patients benefiting from products and/or solutions created with the KIC's involvement has exceeded the 2018-2020 targets, reaching 393 627 individuals against the target of 115 062 ¹⁸.

Directly reported data for 2021-2023 reveals that 522 640 citizens and/or patients benefited from solutions developed or implemented in projects or which resulted from training programmes.

¹¹ Partnership report – EIT Health (2024), p. 46.

¹² EIT Health Business Plan 2021-2022 and 2023-2025; EIT Health Grant Assessment data 2021-2022.

¹³ Partnership report – EIT Health (2024), p. 61.

¹⁴ Partnership report – EIT Health (2024), p. 8.

¹⁵ [EIT Impact Framework 2022-2027](#), pp. 16-17.

¹⁶ Deloitte and White Research, 7-Year Review – Final Report (2022), p. 39.

¹⁷ For this section, data reported directly by the EIT is sourced from Dealroom, an open-access platform tracking EIT Health-supported start-ups. The latest update is from November 2024.

¹⁸ Deloitte and White Research, 7-Year Review – Final Report (2022), p. 37.

The indicator for sustainable healthcare systems is linked to the KPI ‘number of upscaled projects’ that shows efficiency gains, as set in the KIC’s Strategic Agenda. Dealroom data show that between 2022 and 2023 EIT Health had 48 innovation projects, exceeding the targets set for 2024 and 2027 of 12 and 21 projects, respectively.

When it comes to structured processes created to accelerate implementation and scale up innovations using digital tools, the indicator is also linked to the KPI ‘number of upscaled projects’, contributing to the agility of health through digitised process (speed, reach). This was linked to the number of high value care projects, which have high system and organisational change elements that contribute to cost efficiency gains. In 2022-2023, 48 innovation projects were identified through direct reporting.

To measure the extent of the impact of the KIC’s activities, a survey was conducted during the external evaluation¹⁹ among EIT Health-supported ventures. The survey helped attain a general overview of the KIC’s impact across all social impact sub-indicators.

On the involvement of citizens and patients in solutions for multi-morbid and chronic conditions: i) between 25-30% of respondents reported a high impact; ii) between 15-20% indicated a medium impact; and iii) around 10% indicated a weak impact.

As regards citizens and patients benefiting from EIT Health products and services: i) between 30-35% reported a high impact; ii) between 25-30% indicated a medium impact; and iii) between 5-10% indicated a weak impact.

On the creation of sustainable healthcare systems: i) between 25-30% reported a high impact; ii) between 25-30% indicated a medium impact; and iii) around 15% indicated a weak impact.

Finally, on the creation of structured processes to accelerate implementation and scale up innovations using digital tools: i) between 25-30% reported a high impact; ii) between 15-20% indicated a medium impact; and iii) between 5-10% indicated a weak impact.

As concluded by the external evaluation²⁰, EIT Health activities and results have added to the process of dealing with the above-defined societal challenges. EIT Health has proven it can stay on track and react to the emerging issues and challenges in the healthcare sector, for example, by a swift response to the constraints brought by the COVID-19 crisis. Therefore, the KIC’s ability to contribute effectively to tackling the outlined societal challenges can be viewed as positive.

EIT Health has also identified a number of economic long-term impact goals. These are defined in the 2022-2027 EIT Impact Framework:

- contribution to the revenue growth of organisations trading or employing innovations developed with the KIC support;
- the number and revenue of start-ups and scale-ups supported by KICs trading three years after KIC support ceases;
- new jobs created in start-ups / scale-ups;
- the impact on employment growth as a result of companies being engaged with KICs;
- the number and type of jobs in existing businesses sustained through innovations;
- the number and type of skill gaps and/or skill shortages filled by the KIC sector;
- new visible innovation ecosystems;

¹⁹ Deloitte and White Research, 7-Year Review – Final Report (2022) pp. 37-38.

²⁰ Deloitte and White Research, 7-Year Review – Final Report (2022) p. 39.

- the share of indicated innovation ecosystems that covers regional innovation scheme (RIS) countries ²¹.

Findings from the external evaluation ²² have indicated that EIT Health's activities have helped increase the revenue growth and profitability, even if it generally takes a minimum of two to three years, and 10 years on average, for the products, services and start-ups in the healthcare market to start generating revenue. On the survey conducted for the external evaluation ²³, 48% of respondents reported generating revenue of up to EUR 0.5 million, and 6% reached between EUR 0.5 to 1 million from innovations developed and launched on the market with the KIC's support. In addition, according to the survey's results ²⁴ on supported companies' revenue one year after the KIC support finished, 50% reported reaching less than EUR 0.5 million, 5% indicated that they reached between EUR 0.5 and 1 million, and 45% reported no that revenue was made. According to the Dealroom platform data, the number of EIT Health start-ups supported until 2021 that are still trading three years later has reached 1 198 with a total revenue of EUR 2 259 100 183.

As regards job creation, the KIC directly helped create 1 373 jobs in new businesses between 2017 and 2022 by implementing innovation projects and supporting small businesses. In addition, based on data provided from the Dealroom platform, the external evaluation in 2022 pointed to 13 500 jobs being created since 2017 as a result of the impact of KIC's activities, e.g. the support it provided to start-ups ²⁵. The targets set in the KIC's Strategic Agenda for job creation in start-ups or scale-ups – 1 704 by 2024 and 3 023 by 2027 – have been surpassed. Data from Dealroom on start-ups that were supported until 2021 reveal that 20 817 jobs in existing businesses have been sustained through innovations by EIT Health.

Based on the previous findings and particularly on the overperforming KPI of investments attracted, according to the external evaluation ²⁶, it can be reasonably assumed that the KIC's support contributed to the employment growth, as the investments are mostly linked to the hiring of new staff in the start-ups. If the employment growth is evaluated after the end of EIT Health support, the number of employees of EIT Health-backed SMEs has grown from 1 600 employees in 2018 to 15 700 in 2023 as per data from Dealroom. Moreover, data from Dealroom on start-ups supported until 2021 show that the employment growth thanks to the KIC's support has reached 79.77%.

Finally, according to the survey conducted for the external evaluation ²⁷, 86% of the start-ups / scale-ups claimed that EIT Health helped fill skill gaps and shortages, mostly related to innovation skills and competencies (67%), but also working with computers/IT skills (38%) and creativity skills and competencies (29%). According to the results of the survey involving EIT-labelled students and graduates²⁸, around 70% of respondents who graduated claimed to be an employee, with most of them working as entry level staff while 30% of respondents who graduated have joined a start-up.

²¹ [EIT Impact Framework 2022-2027](#) pp. 7-11.

²² Deloitte and White Research, 7-Year Review – Final Report (2022) p. 40.

²³ Deloitte and White Research, 7-Year Review – Final Report (2022) pp. 40-41.

²⁴ Deloitte and White Research, 7-Year Review – Final Report (2022) p. 41.

²⁵ Deloitte and White Research, 7-Year Review – Final Report (2022) p. 43.

²⁶ Deloitte and White Research, 7-Year Review – Final Report (2022) p. 43.

²⁷ Deloitte and White Research, 7-Year Review – Final Report (2022) p. 44.

²⁸ Deloitte and White Research, 7-Year Review – Final Report (2022) p. 86.

2. Additionality

Table 2 provides the basic financial figures for EIT Health since it started operating in 2015. EIT Health was able to achieve a direct leverage factor²⁹ of 0.26 in 2015-2023 (if one only takes co-funding from partners related to the EIT grant into consideration) and 0.40 (if one adds revenues created through KIC activities (EUR 183 million vs the EIT grant of EUR 452 million)). The direct leverage factor increased to 0.46 in the 2021-2023 Horizon Europe period.

Table 2: EIT Health financial figures (in EUR million)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
EIT grant	3,3	18,9	32,7	50,0	81,0	97,3	54,6	56,8	57,1	451,8
Co-funding	0,3	11,6	12,6	10,4	13,5	20,6	17,0	22,0	10,9	119,0
Revenues		6,6	6,6	7,0	8,1	8,4	10,5	10,0	6,6	63,7
Activities not funded by EIT		65,0	117,9	139,4	284,0	183,5	7,0	7,0	0,0	803,8
Co-investment, i.e. investments attracted by start-ups			28,0	50,6	167,0	363,3	825,0	64,1	286,3	1784,3

Source: EIT financial data reported by KICs and validated by the EIT (also available in Corda). EIT grant 2023 figures are derived from three-year business plans

In terms of leverage effects for the EIT KICs, the specificity of the EIT model requires the monitoring of additional leverage not only through co-funding and the revenues of EIT KICs that are directly reinvested back into the KICs activities, but also through the activities not funded by the EIT³⁰ as well as the co-investments attracted by the companies supported through the EIT.

Based on EIT Health's grant assessment data for 2021-2022, EIT funding amounted to EUR 112 million. Other sources of funding, mainly from EIT Health partners, amounted to EUR 40.2 million. The EIT grant funding of 73.5% in 2021-2022 is below the average (79.3%) for 2016-2020, indicating that EIT Health attracted other sources of funding beyond the EIT.³¹

When the activities funded by direct contributions by partners and affiliated entities (activities not funded by the EIT) are considered, EIT Health achieved a leverage factor of 2.2 in 2015-2023. When the co-investments (i.e. investments attracted by start-ups of EUR 1 784 million) are also included, the leverage factor rises to 6.15 over the period of the EIT Health lifecycle to date. This means that, for every euro of EIT funding spent, EIT Health activities have helped to attract over EUR 6 in external investment.

3. Transparency and openness

EIT Health's partnership is one of the most balanced in the EIT Community. The three different pillars (education, research and business) seem to be well-represented, and cross links between them are visible, according to the external evaluation³². In 2016, the EIT Health partnerships consisted of 134 core and associate partners in 15 EU Member States (and Switzerland). By 2021, EIT Health had managed to attract partners from 18 EU Member States. The number of core and associate partners gradually grew to 148 by 2021. At the same

²⁹ Ratio of the direct leverage to the EU contribution. This is calculated as: direct leverage factor = (1/(Funding rate))-1.

³⁰ Non-EIT financed activities (NEFAs) are fully implemented without an EIT grant but must contribute to the KIC's Strategic Agenda and must be based on the EIT Knowledge Triangle Integration concept. They replaced the former KIC complementary activities (KCAs) applied in 2014-2020 under Horizon 2020.

³¹ European Framework Programmes for a Resilient Europe – Evaluation study (2023).

³² Deloitte and White Research, 7-Year Review - Final Report (2022) p. 55.

time, the KIC was able to attract a significant number of project and network partners (more than 250 by 2021).

EIT Health is open to new participants, including industry players, which is further confirmed by interview evidence³³. Some conditions for participation, such as membership fees and equity stakes, have sometimes been considered a barrier that limits the willingness to participate in EIT Health's activities³⁴. The KIC has made progress in improving how it communicates new opportunities and has published the criteria for becoming a partner on its website. It is also targeting SMEs as part of its efforts to become a more attractive partner for them³⁵. According to the external evaluation report³⁶, further efforts to address openness and transparency are still needed to further open up its activities to external partners.

Between 2016 and 2021, EIT Health grew steadily, attracting new partners (176 in 2017, 38 in 2018, 27 in 2019, 208 in 2020, and 80 in 2021) with only 37 partners leaving the KIC. Based on EIT Health's grant assessment data for 2021-2022, EIT Health had 560 active partners over that period, of which 110 were core partners, 155 were associate partners and 24% were SMEs. The strong trend of supporting SMEs has continued, with EIT Health supporting 326 SMEs in 2021 and 377 in 2022. An example of how EIT Health provides support to SMEs is the creation of the Venture Centre of Excellence (VCoE), which acts as an intermediary to connect investors with European health SMEs. Since the VCoE was founded in 2020, it has brought together 21 VC Funds and corporate investors and added around 130 organisations to its co-investment universe. The VCoE works hand-in-hand with the European Investment Fund (EIF) in identifying potential SMEs and start-ups to connect them with investors. The VCoE has opened up several new intervention paths for SMEs and start-ups in the partnership. In addition to helping achieve short-term public goals (e.g. the need of a specific medicine), the VCoE is also helping achieve short-term private goals (helping with recruitment), long-term private goals (future R&I outlooks), and long-term public goals (general EU goals)³⁷.

As of October 2024, the number of SMEs participation under the implementation of the EIT grant agreement 2023-2025 was 22% with EUR 25.5 million grants going to SMEs, which represents 15% of the total EIT grant³⁸.

In terms of transparent processes for consulting relevant stakeholders, EIT Health engages in an open consultation process involving relevant stakeholders in individual programmes and uses mechanisms to periodically reassess its goals and objectives. Stakeholders' annual inputs help assess the state of EIT Health as well as the future trends and needs that could help the KIC maximise its strengths. Therefore, EIT Health has practices in place to ensure that relevant stakeholders help identify priorities³⁹. For the VCoE, bespoke programmes and advice are given to each SME and start-up through an extended introductory process. This method contributes to the financial success of the VCoE, as relevant stakeholders are engaged at every level. This not only increases the transparency of the programmes, but also keeps them aligned with public and private goals. The VCoE has demonstrated that public funds

³³ Partnership report - EIT Health (2024) p. 30.

³⁴ Partnership report - EIT Health (2024) p. 30.

³⁵ Deloitte and White Research, 7-Year Review – Final Report (2022), p. 55.

³⁶ Deloitte and White Research, 7-Year Review – Final Report (2022), p. 55.

³⁷ Partnership report – EIT Health (2024) p. 33. See case study on Contribution of EIT Health towards supporting the Venture Centre of Excellence and WorkInHealth Foundation.

³⁸ During the implementation of the 2023-2025 EIT grant agreement 2023-2025, the grant committed to SMEs and the number of SMEs and their participation can still increase in the upcoming months and next year because EIT Health still has calls to open and new projects to sign.

³⁹ Partnership report – EIT Health (2024), p. 31.

alone are not enough to provide adequate support to SMEs, industry groups and investors, but that bespoke engagement at each level and point of involvement (e.g. throughout the entire investment process rather than just before or after the point of contact between investor and SME) is in itself a crucial investment⁴⁰.

EIT Health is also active in citizen engagement, raising awareness among a wider array of stakeholders of the KIC’s mission and programme. Rather than interacting with industry partners and direct consumers exclusively, EIT Health has made efforts to include citizens and patients in its portfolio: it expanded the number of citizens and patients involved from 3 480 in 2021 to 5 044 in 2022. EIT Health also increased the number of citizens and patients involved at the point of service, raising the number of trained citizens and patients from 4 101 in 2021 to 4 830 in 2022. Furthermore, EIT Health recorded 362 768 citizens and patients benefiting directly from solutions developed or implemented through EIT Health activities between 2021 and 2022, significantly higher than the target of 79 546 set in the Business Plan⁴¹.

4. Efficiency

Table 3 sets out EIT Health’s operational budget and administrative expenditure (or running costs). The running costs include the management, governance, coordination, organisation and overhead expenditure paid from the EIT grant. This does not include the contribution from EIT Health’s partners.

Table 3: EIT Health operational and administrative expenditures

	2016	2017	2018	2019	2020	2021	2022
Operational Expenditures	19 054 607 €	38 526 524 €	54 901 843 €	85 804 328 €	110 828 217 €	63 503 739 €	69 192 022 €
Running Costs	6 765 099 €	821 736 €	1 099 232 €	2 650 154 €	3 180 424 €	2 796 979 €	2 676 058 €
Total budget	32 433 011 €	45 913 954 €	62 551 075 €	95 954 482 €	121 783 640 €	73 300 718 €	78 868 080 €

Source: EIT financial data reported by KICs and validated by the EIT.

Table 3 indicates that the running costs covering EIT Health’s headquarters and co-location centres (CLCs) for 2016-2022 ranged between 1.8% and 3.8%, with an average of 2.7%. When considering only the period of Horizon Europe (2021-2022), these costs constituted 3.6% of the overall operational costs.

The EIT KICs are pan-European networks with many offices on the ground across Europe⁴². These offices are an operational activity carried out by the KICs at a corresponding administrative cost. The EIT, in order to keep these administrative costs at an acceptable level, has, in its guidelines to the KICs, set maximum thresholds for the EIT-funded share of the KIC’s administrative costs, depending on the KIC’s maturity. The values range from 18% and 15% in the first year and second year of a KIC, respectively, to a constant of 12% from the third year until the end of the partnership lifecycle. If the EIT KICs were, as beneficiaries of EIT grants, to follow the rules of EU public entities, the expenses related to CLCs would be treated as operational expenditure related to ground operations, rather than as administrative expenditure. In such circumstances and considering that one of the core operational aspects of the EIT model is to support location-based innovation locally and in regions, it would be more

⁴⁰ Partnership report – EIT Health (2024), p. 31.

⁴¹ EIT Health – Business Plan 2021-2022.

⁴² EIT Health has a pan-EU representation via seven CLCs in Austria, Belgium-Netherlands, France, Germany, Scandinavia (Denmark, Estonia, Finland, Norway and Sweden), Spain and Ireland-UK. In addition, the InnoStars CLC covers Hungary, Italy, Poland and Portugal. EIT Health RIS scheme covers 14 hubs in 13 countries across Europe (for example, in Croatia, Czechia, Greece, Latvia, Lithuania, Slovakia, Slovenia, Romania).

appropriate to take only the administrative expenses of the EIT KICs' headquarters into account.

In 2021-2022, EIT Health had active partners in all Member States, except for Malta. Spain had the highest number of partners (96), followed by France (87) and Germany (54). In addition, EIT Health had active partners in six Horizon Europe associated countries (Israel, Montenegro, Norway, Serbia, Türkiye and Ukraine)⁴³. EIT Health increased the number of active partners from EIT RIS countries in 2021-2022 to 225 (45% of the total).

The grant assessment data for 2021-2022 reveal that EIT Health can be considered efficient and cost-effective when it comes to supporting start-ups and scale-ups as well as running education programmes – both EIT-labelled degree programmes and non-degree programmes. However, the EIT Health seven-year review report noted that challenges remained as regards some of the KIC's KPIs, such as innovations launched on the market, graduates from EIT-labelled programmes or start-ups created by graduates. The cost-effectiveness of the results achieved was relatively low and unbalanced, and the overall cost-effectiveness of EIT Health was difficult to assess, mainly due to the health sector's specific characteristics as some results take longer to be achieved⁴⁴. Given its underachievement in terms of meeting some KPI targets in the areas of education and innovation and based on the EIT Governing Board's strategic recommendations, EIT Health has put in place specific measures to improve the impact of its programmes. These measures include funding only the most impactful projects with more mature solutions and shorter timelines, taking into account best value for money considerations, launching labelled fellowships schemes and improving the post-funding monitoring of projects and programmes.

2023 data indicate that the average time-to-grant for calls launched by EIT Health is 3 months.

⁴³ EIT Health Grant Assessment 2022 – Partners data.

⁴⁴ Deloitte and White Research, 7-Year Review – Final Report (2022).

5. Coherence and synergies

According to the external evaluation study⁴⁵, EIT Health has forged synergies with other EU programmes, in particular the European Innovation Council (EIC) and the EIF. EIT Health's collaboration with the EIC specifically involves: (1) strengthening start-up network capabilities through access to stakeholders and expertise; (2) mobilising start-up access to finance and the Dealflow platform⁴⁶; and (3) creating further opportunities and organising joint events⁴⁷. Under the Horizon 2020 programme, EIT Health and EIC created an EIT-EIC CollabPilot that aimed to strengthen Europe's innovation and breakthrough technologies in healthcare⁴⁸. EIT Health has also standardised the application process to make it more similar to Horizon Europe programmes⁴⁹. In the case of the EIF, EIT Health's synergies lie within its VCoE programme, a public-private co-investment programme that aims to empower SMEs through mentoring and access to investment⁵⁰.

When it comes to synergies with other European partnerships and missions within Horizon Europe, the EIT KICs community is clearly the most active, as highlighted in the 2024 Biennial Monitoring Report⁵¹. EIT Health particularly stands out when analysing the number of times a partnership was selected by counterparts for synergies⁵². The analysis of the grant assessment data and the interviews with leaders and coordinators of innovation projects supported by EIT Health have shown that the KIC's projects and activities complement and work well with other parts of the Horizon Europe programme⁵³. Based on interviews from the external evaluation study⁵⁴, there is nevertheless still room for improvement, particularly in creating logical support pathways across the different pillars under Horizon Europe and simplifying reporting. However, EIT Health and the Innovative Health Initiative (IHI) have recently united to drive entrepreneurship and innovation in healthcare by creating collaborative innovation ecosystems⁵⁵. In addition, EIT Health is involved in the Partnership for Personalised Medicine as one of three EU-level partners next to the European Commission and the European Research Infrastructure for Biobanking, providing services to accelerate personalised medicine development and roll it out in public healthcare⁵⁶.

Furthermore, EIT Health has also forged synergies with the Digital Europe programme, through its active involvement in the TEF Health project that has been creating an environment where developers, researchers and industry players can unite to tackle the challenges of integrating AI and robotics into healthcare. This helps minimise the gap

⁴⁵ Partnership report – EIT Health (2024) p. 16.

⁴⁶ <https://dealflow.eu/eu-services/>

⁴⁷ European Commission: Directorate-General for Research and Innovation, Performance of European Partnerships – Biennial Monitoring Report (BMR) 2022 on partnerships in Horizon Europe, Publications Office of the European Union, 2022, <https://data.europa.eu/doi/10.2777/144363>.

⁴⁸ [EIT-EIC CollabPilot: Elevating European Healthcare innovator ecosystems through integrated access to sector-specific market expertise.](#)

⁴⁹ [EIT Health. Opening of the Flagships Call: September 2022. Communications Pack.](#)

⁵⁰ BMR (2022), p. 365.

⁵¹ European Commission: Directorate-General for Research and Innovation, Performance of European partnerships – Biennial monitoring report 2024 on partnerships in Horizon Europe, Publications Office of the European Union, 2024, <https://data.europa.eu/doi/10.2777/991766>, p. 56.

⁵² BMR (2024), p. 59.

⁵³ Partnership report – EIT Health (2024), p. 16.

⁵⁴ Partnership report – EIT Health (2024), p. 16.

⁵⁵ [EIT Health and IHI unite to drive healthcare innovation.](#)

⁵⁶ Services include: co-design and co-management of innovation calls, hackathons, matchmaking events, round tables, education landscape analysis, education and training programmes, fast-track accelerator calls, venture-builder cycles, twinning calls, and engagement of patients, citizens and professional associations. Partnership report – EIT Health (2024), p.16.

between lab testing and real-world application, increases the robustness and reliability of the solutions, and speeds up the adoption of these AI and robotics solutions in healthcare. By exploiting its wide network of innovation actors, EIT Health contributes as a platform builder and a matchmaker linking academics with users⁵⁷.

Moreover, EIT Health's entrepreneurial portfolio is efficient in supporting internal coherence, with 28% of supported companies having participated in more than one EIT Health programme, even if transitioning from a start-up to a scale-up operation presents challenges⁵⁸.

The EIT KICs have established a number of cross-KIC activities, thereby forging synergies with other KICs. Since the COVID-19 pandemic, EIT Health has expanded its participation to provide stakeholders with a more interdisciplinary and unique experience⁵⁹. EIT Health is active through various EIT Community initiatives, including the Cross-KIC Strategic Regional Innovations (SRI), the EIT Regional Executive Academy and the EIT Jumpstarter⁶⁰. For example, EIT Health has a structural collaboration with EIT Food that is ensured through the 'Food4Health' initiative. Its main objective is to establish a sustainable connection between the two KICs, leveraging the strength of the individual partnerships, building on their core activities and developing an innovation programme in citizen-oriented health and well-being through improved nutrition and behavioural support.

However, in 2021-2022, there were no reported instances of EIT Health attracting funding from the European Structural and Investment Funds (ESIF)⁶¹ and, according to the external evaluation report⁶², further steps could be taken to help organisations and EIT Health partners from RIS countries attract ESIF funding in line with the regional smart specialisation strategies and the EIT Health Strategic Agenda.

6. EU added value

EIT Health's ability to foster and establish collaborations with different actors within the healthcare industry across Europe is its main source of added value, as highlighted in the external evaluation⁶³. Most innovation capacity projects supported by EIT Health achieve good levels of cooperation across European borders, in particular by attracting regional cluster partners and interlinking them with other clusters across European borders (e.g. with healthcare professionals, entrepreneurs and citizens), offering them new collaboration opportunities and shared resources⁶⁴. Interviewees confirmed that EIT Health's ability to tap into its pan-European network to find suitable partners is particularly useful for its project promoters or start-ups. Also, viewed as generating added value is EIT Health's availability and readiness in terms of communication with external stakeholders in many countries.

⁵⁷ [EIT Health TEF Health: Testing and Experimentation Facilities for Health AI and Robotics](#).

⁵⁸ European Framework Programmes for a Resilient Europe – Evaluation study (2023).

⁵⁹ EIT Health Grant Assessment data for 2021-2022. KPI ActOutput24, Cross-KIC collaboration.

⁶⁰ The EIT Jumpstarter is a pre-accelerator programme led by EIT Health. It provides fundamental entrepreneurial skills training to support teams that are building a business model around their innovative service or product idea and launching their business. Six EIT Communities (EIT Health, EIT Food, EIT RawMaterials, EIT Innoenergy, EIT Urban Mobility and EIT Manufacturing) are jointly running the programme by mobilising their networks and jointly upskilling the talent pool in EIT RIS.

⁶¹ EIT Health Grant Assessment data for 2021-2022. One of the EIT's core KPIs is organisations from RIS countries attracting funding from the ESIF with support from the KIC.

⁶² Partnership report – EIT Health (2024) p. 37.

⁶³ Partnership report – EIT Health (2024), p. 24.

⁶⁴ Deloitte and White Research, 7-Year Review – Final Report (2022).

In particular, the VCoE programme provides additional value at European level. As a public-private fund directing resources from both the European Commission and private venture capital funds, the VCoE establishes a binding agreement between investors and corporate players that enables greater trust between stakeholders than public funds or private consortia involved in VC funds. Part of this added value comes from the unique market effects of the EU investment itself, insofar as it acts as a signal to promote public trust in markets important to the EU. The synergies between the VCoE and the European Commission are an example of how added value is created, as the investments through the VCoE seek to improve Europe's ability to respond to continental or global health emergencies ⁶⁵.

According to the external evaluation report ⁶⁶, most interviewees find that EIT Health provides services which could not be met through traditional Horizon Europe calls. This relates especially to EIT Health's capacity to bring together relevant partner organisations and individuals and create networks, which enable effective cooperation and knowledge sharing across Europe. This is relevant for the capacity to test and market innovations and products as well as start-up and scale-up services beyond national borders. While the support of EIT Health was fundamental to helping innovation projects to mature, several aspects of EIT Health's support made it less attractive for companies when compared to national and regional funding programmes, for example, the requirements to only partner up with entities already associated with EIT Health, or to allow EIT Health to take equity in a participating firm. However, this was highly dependent on the medical field and the size of the company supported, and smaller ventures regarded EIT Health's support to be equally as relevant as national and regional funding ⁶⁷.

7. Relevance

EIT Health helps achieve the key impacts needed under Horizon Europe, in particular by addressing EU policy priorities through R&I, generating innovation-based growth, leveraging investments in R&I and creating more and better jobs. Therefore, EIT Health is relevant concerning the challenges and needs of both Horizon 2020 and Horizon Europe, especially as regards resilience ⁶⁸.

The 2022 Biennial Monitoring Report indicates that EIT Health has significantly contributed to both the green and the digital transitions, especially the latter ⁶⁹. The KIC's non-degree education programmes, which address the digital dimensions of the healthcare industry, feature prominently in EIT Health's education activities. For example, the Science4Pandemics online game – a digital platform for collective intelligence in pandemics – had 4 226 participants in 2022 alone. The programme targets adolescents using gamification and artificial intelligence to increase public understanding on how to prevent and manage

⁶⁵ See case study on Contribution of EIT Health towards supporting the Venture Centre of Excellence and WorkInHealth Foundation. Partnership report – EIT Health (2024), p. 24.

⁶⁶ Partnership report – EIT Health (2024), p. 24.

⁶⁷ European Commission: Directorate-General for Research and Innovation, Denham, S., Stančiauskas, V., Dėlkutė-Morgan, R., Kazlauskaitė, D. et al., Evaluation support study on Horizon Europe's contribution to a resilient Europe – Final report phase 2, Denham, S.(editor), Publications Office of the European Union, 2024, <https://data.europa.eu/doi/10.2777/797281>. Partnership report – EIT Health (2024) p. 27.

⁶⁸ See the Biennial Monitoring Report (2022), European Commission: Directorate-General for Research and Innovation, Stančiauskas, V., Brozaitis, H., Notten, A., Hollanders, H. et al., Study to support the monitoring and evaluation of the framework programme for research and innovation along key impact pathways – Indicator methodology and metadata handbook, Stančiauskas, V.(editor), Brozaitis, H.(editor), Notten, A.(editor), Hollanders, H.(editor), Papageorgiou, H.(editor), Manola, N.(editor), Zagame, P.(editor) and Le-Mouel, P.(editor), Publications Office of the European Union, 2022, <https://data.europa.eu/doi/10.2777/44653>.

⁶⁹ Biennial Monitoring Report (2022).

pandemics. Similar non-degree education programmes include AIProHealth, HelloAI and Basics of Digital Health ⁷⁰.

EIT Health is also relevant when it comes to supporting those SMEs that contribute to technologies for the digital transition. Out of 1 201 companies supported, 832 (69%) have produced technologies that are relevant to the digital transition. Furthermore, 581 companies (48%) have produced deep tech innovations⁷¹ in line with the priorities of the New European Innovation Agenda.

Moreover, EIT Health helps achieve the Sustainable Development Goals (SDGs), especially in the area of good health and well-being. It also facilitates collaboration across different countries, supports the creation of new knowledge and technologies (the latter in particular through its innovation portfolio), and helps create jobs, upscale skills, promote industrial competitiveness as well as optimise the impact of investment within the European Research Area (ERA). From the ERA's perspective, EIT Health operates 14 EIT hubs in 13 RIS countries⁷² to foster closer interaction among local innovation actors and link local innovation ecosystems to the EIT's pan-European innovation ecosystem. EIT Health RIS hubs also contribute to the general visibility of the EIT Health community⁷³.

EIT Health aims to 'improve the quality of life of 4.8 million of Europeans' according to its 2021-2022 Business Plan ⁷⁴. All projects and activities supported and orchestrated by EIT Health have focused on this, either directly (through developing innovative solutions and products)⁷⁵ or indirectly (through improving health and data management systems)⁷⁶. The goal of promoting better health for citizens has been further strengthened in the EIT Health's 2023-2025 Business Plan, which aims to support innovations tackling the challenges faced by an ageing population⁷⁷. It focuses on designing, testing, and prototyping new products, services and solutions in order to introduce them into the market. In this respect, EIT Health has pursued innovation projects that enable better responses to pandemics, improve the effectiveness of treatments and, in particular, fight chronic and multi-morbid conditions⁷⁸, therefore tackling relevant societal challenges as case study findings show⁷⁹. The support actions have mainly focused on oncology, neurology (primarily neurovascular accidents) and metabolic disorders, in addition to clinical decision support systems, which, by virtue of their diagnostic and preventive nature, cover a wide range of chronic diseases. Interviewees regarded EIT Health's efforts as relevant in the overall fight against cancer, diabetes as well as neurodegenerative and cardiovascular diseases. Regarding Horizon Europe's Cancer Mission, case study findings indicate that the overall contributions provided by EIT Health's activities in the fight against cancer, while indirect, are adequate since EIT Health provides

⁷⁰ EIT Health evaluation study (2024), p. 13.

⁷¹ [EIT Health Startup Database](#).

⁷² [EIT Health. EIT Regional Innovation Scheme](#).

⁷³ Deloitte and White Research. 7-Year Review, Final Report (2022).

⁷⁴ EIT Health Business Plan 2021-2022.

⁷⁵ European Framework Programmes for a Resilient Europe - Evaluation study (2023), Case study on the Contributions of EIT Health in the Fight Against Chronic and Multi-Morbid Conditions; 31% of the EIT's business support budget was specifically targeting cancer, neurodegenerative diseases, cardiovascular and cerebrovascular conditions and diabetes. Over 60% of the EIT's health budget on innovation has been dedicated to targeting cancer, neurodegenerative diseases or conditions, cardiovascular and cerebrovascular conditions and diabetes.

⁷⁶ As an example, within the Cancer Prevention Europe framework, the KIC invested in empowering people to be active in their own well-being and further innovations were supported.

⁷⁷ EIT Health Business Plan 2023-2025.

⁷⁸ EIT Health Business Plan 2021-2022.

⁷⁹ Partnership report - EIT Health (2024), p. 13. See also [Resilient Europe Evaluation Study \(2024\)](#).

relevant and necessary support towards the development of innovations that help diagnose and treat cancer.

As regards flexibility, EIT Health monitors its activities periodically and reorients its portfolio annually. Based on this assessment, the activities are continued or phased out. The goal of such periodic consultations is to evaluate future trends and needs that could maximise the strengths of EIT Health, after which potential areas of intervention are identified. In 2023, this process helped identify three areas: digital health, promoting the optimal secondary use of health data, and promoting solutions that can be replicated across different healthcare models.

EIT Health's flexibility in updating its approach was confirmed by a previous evaluation, which showed that during Horizon 2020, EIT Health progressively updated and reviewed its portfolio of activities to better fit the demands and needs of businesses, investors and consumers in the healthcare sector⁸⁰. The flexible approach to address new challenges as they arise has also been demonstrated by the KIC's response to the COVID-19 crisis. In 2020, EIT Health supported 36 solutions to help deal with the crisis. EIT Health also set up a COVID-19 rapid response programme, which provided around EUR 7 million of funding to 15 projects in the fields of biotechnology, diagnostics, digital health and med tech. It included projects like: i) the Digital Control Centre for COVID-19, which helped implement data and AI solutions in hospitals across Europe; ii) a platform for remote patient monitoring and management; and iii) Viru-Shield, a self-disinfecting, globally available reusable mask⁸¹. EIT Health has also helped to address challenges such as the validation and reimbursement processes in the diverse European regulatory health environment⁸². To address these specific issues, EIT Health has taken several measures, e.g. promoting the harmonisation of validation procedures across the EU to bridge the gap regarding medical devices, particularly for digital solutions, and promoting a fast-track model to process reimbursements that is expected to be implemented across the EU.

8. Directionality

According to the external evaluation report⁸³, interview findings indicate that EIT Health is making progress towards achieving its strategic vision thanks to it aligning its policies, goals and approaches with the European Commission's priorities more closely.

To strengthen the effectiveness of its key impact pathways and improve its impact targets, EIT Health has regrouped its portfolio of activities into a flagship concept in its Business Plan for 2023-2025⁸⁴. The flagships aim to get innovations to higher stages of maturity that can secure market integration and meet KPIs. According to the business plan, the flagship topics are defined yearly, with the first wave of flagships being implemented in 2023⁸⁵.

According to the partnership report⁸⁶, the KIC faces significant challenges linked to the fact that the healthcare sector requires a longer time to fully introduce innovations and products into the market due to its need for long and thorough certification and validation processes. However, interviewees noted that the process would be more difficult without EIT Health's involvement.

⁸⁰ Deloitte and White Research, 7-Year Review – Final Report (2022) p. 14.

⁸¹ <https://eithealth.eu/covid-spotlight-special-edition/>

⁸² See also [European Framework Programmes for a Resilient Europe - Evaluation study \(2023\)](#)

⁸³ Deloitte and White Research, 7-Year Review – Final Report (2022), p. 27.

⁸⁴ EIT Health Business Plan 2023-2025

⁸⁵ EIT Health Business Plan 2023-2025

⁸⁶ Partnership report – EIT Health (2024), p. 27.

9. International positioning

EIT Health is predominantly EU-oriented, which is reflected in its network of partners. At the same time, it has a significant number of partners from the United Kingdom (43) and Switzerland (15). The KIC also has partners from Israel, Norway, Serbia, Montenegro, Türkiye and Ukraine, which are associated with the Horizon Europe programme, as well as from the United States, Costa Rica and Kenya.

EIT Health participates in the EIT Global Outreach Programme's ⁸⁷ activities and the SRI ⁸⁸. The Programme was established in 2018 and links the EIT's innovation ecosystem with innovation valleys worldwide, forging synergies with global innovation leaders and creating significant value for the EU economy as well as local ecosystems. The Programme currently comprises established and successful EIT hubs in Silicon Valley (USA) ⁸⁹, Tel Aviv (Israel) ⁹⁰ and London (UK) ⁹¹. EIT Health is actively involved in these activities, and it is also leading the EIT Community Global Platform that was established in 2023 to expand the reach of the EIT to new locations.

The Global Outreach innovation hubs, as well as the Global Platform, implement various activities worldwide that correspond to the various stages of the technology development lifecycle. The programmes include: i) open innovation programmes for corporates; ii) go-to-market programmes for start-ups and scale-ups looking to penetrate new global markets; iii) lab-to-market educational programmes for researchers aiming to create start-ups with their ground-breaking technology; iv) ecosystem immersion for ecosystem leaders; v) matchmaking around Horizon Europe open calls; and vi) training for innovation-focused European diplomats in outreach locations.

Under the SRI, activities are currently being developed in the Western Balkans, Türkiye and Ukraine. In the future, these will expand to Moldova and potentially Georgia, in line with the EU's enlargement policy priorities.

As regards visibility, EIT Health is attracting new international visibility through different pathways. The education pathway helps attract relevant talent to Europe through EIT Health MSc or PhD programmes. 27% of all graduates from EIT Health-labelled programmes were international students and nearly half of them studied in RIS countries. The business creation and support pathway also contributes to international visibility. EIT Health-supported companies are able to attract additional funding from other parts of the world, particularly from North America: approximately 16% of EIT Health-supported companies have received additional investments from North America ⁹².

10. Phasing-out preparedness

The EIT Regulation ⁹³ defines 'financial sustainability' as the EIT KICs' capacity to finance their knowledge triangle activities independently from the EIT contributions. It asks the EIT KICs to pursue this goal by implementing an effective financial sustainability strategy that involves mobilising funds from other public and private sources before the end of the 15-year

⁸⁷ <https://go-eit.eu/>

⁸⁸ <https://eit-ris.eu/>

⁸⁹ <https://go-eit.eu/eit-silicon-valley-hub/>

⁹⁰ <https://go-eit.eu/eit-israel-hub/>

⁹¹ <https://go-eit.eu/eit-uk-hub/>

⁹² EIT Health Grant Assessment 2021-2022 data. Partnership report – EIT Health (2024), p. 28.

⁹³ In particular Article 2, (16) and Article 6 (i). [Regulation \(EU\) 2021/819 on the European Institute of Innovation and Technology, 2021.](#)

period of EIT funding. The closer an EIT KIC gets to the end of its EIT funding period, the less EIT funding it receives and the more alternative funding sources it has to find. The emphasis is on encouraging KICs to secure a larger share of their funding from external sources in order to ensure their long-term viability and continue their activities effectively. The challenge is for the KICs to secure adequate co-funding from other sources.

EIT Health has prepared a plan to ensure financial sustainability through: 1) the financial contributions of its network members via fees; 2) the delivery of EIT Health's portfolio of services in exchange for fees; and 3) returns on investments from start-ups that have been supported or other revenues from projects (such as products or services developed through EIT Health that are then sold on the market). EIT Health aims to have EUR 30.4 million in financial sustainability revenues by 2027⁹⁴.

In its early years, EIT Health was strongly dependent on membership fees and achieved modest results in generating alternative income between 2016 and 2020⁹⁵. EIT Health's financial sustainability coefficient⁹⁶ decreased from 20% to 9% between 2017 and 2020, even though revenues increased from EUR 6.6 million to EUR 8.4 million in this same period. In 2021-2022, EIT Health continued to increase its revenues, which reached EUR 20.5 million (generating an average annual revenue of EUR 10.3 million), but more importantly, the financial sustainability coefficient improved again and reached 18.33%. Given the phase of the EIT Health lifecycle, these figures indicate that EIT Health is performing well in terms of financial sustainability.

However, membership fees remained EIT Health's main source of revenue in 2021-2022: EUR 8.3 million was received from core partners and EUR 4.6 million from associate partners for a total of EUR 12.9 million, representing 63% of total revenue. National and regional funding brought in EUR 1.5 million and a grant from the EIC brought in EUR 1.4 million. The first data from 2023⁹⁷ provided by EIT Health shows further national or European funding already attracted for the period 2023-2030. This indicates that the prospects for achieving financial sustainability at the end of EIT Health's funding lifecycle are good. Also, for 2023, EIT Health reported substantial financial reserves (e.g. in the form of current assets and equity shares in its investment portfolio or cash and cash equivalents). These could provide a solid basis for sustaining its core activities in the future.

In the education portfolio, the EIT Health Academy Platform generated revenue of EUR 4 143 from participation fees. EIT Health reported no revenue from returns on investment and equity, although it received a success fee coming from the Gold Track programme amounting to EUR 2.5 million. Moreover, nine EIT Health-supported start-ups completed their financing rounds, with the KIC charging a percentage on the invested funds. These activities brought in EUR 3.8 million (19% of total revenue). Product-based services generated EUR 185 000. While this indicates that revenue streams are becoming more diverse, further diversification could help ensure that EIT Health is not too reliant on membership fees.

Overall, the current figures and the interview evidence show that EIT Health is moving from a model of fixed participation fees to a model of lower fees for the services provided. This has earned support from private pharmaceutical and medical service providers as well as local managing directors. Nevertheless, several interviewees flagged that it is rather unrealistic to

⁹⁴ Partnership report – EIT Health (2024), p. 35.

⁹⁵ Deloitte and White Research, 7-Year Review – Final Report (2022), p. 67.

⁹⁶ Financial sustainability coefficient (FS coefficient) is the ratio of KICs own revenues compared to EIT grant in a given year.

⁹⁷ EIT Health Data provided in relation to the final results of the financial allocation for 2024 – EIT Health –

achieve financial sustainability without the public sector participating, specifically the European Commission, due to the specific nature of healthcare and the healthcare market⁹⁸. They also highlighted that EIT Health is a reliable partner and a promoter of the EU's objectives in healthcare. Furthermore, the life sciences and biotech sectors are among the most highly funded sectors for venture capital. At the same time, average investment tickets for start-ups and other innovation funding in this sector tend to be high. As such, the tech environment that EIT Health works within has highly specific conditions and a highly specific structure for both innovation and business creation funding.

EIT Health is increasing its efforts and applies a strong focus in the relevant areas of activities in order to achieve its goal of becoming financially sustainable. Overall, the KIC is on track in relation to phasing-out preparedness.

⁹⁸ Partnership report - EIT Health (2024) p. 35