

Business Plan 2014

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Executive Summary

Strategy and Vision

Climate-KIC creates opportunities for innovators to address climate change and shape the world's next economy. We accelerate the innovation required for a low-carbon future, and ensure that Europe benefits from new technologies, company growth and jobs.

The impacts of climate change have become increasingly conspicuous in 2013 – with floods in central Europe, drought in North America's mid-west and soaring temperatures in Australasia. Such extreme events have huge economic and societal impact, and argue strongly for action to be taken on adaptation to as well as mitigation of climate change. Lessons learnt from global, supranational and national level show that this is hard to address in a political context, and that government funding cannot alone address the climate problem. Thus, what is important is to develop a thriving and sustainable green economy - with green business development, growth and green job creation.

Climate-KIC is now a major climate initiative in Europe. We have created a unique partnership for innovation covering business (both large and small), universities and research institutes and public bodies such as regional and city governments. We are well positioned to address both mitigation and adaptation in a business-oriented and commercially beneficial manner, and to drive the shift to a green economy.

Strategy and Vision

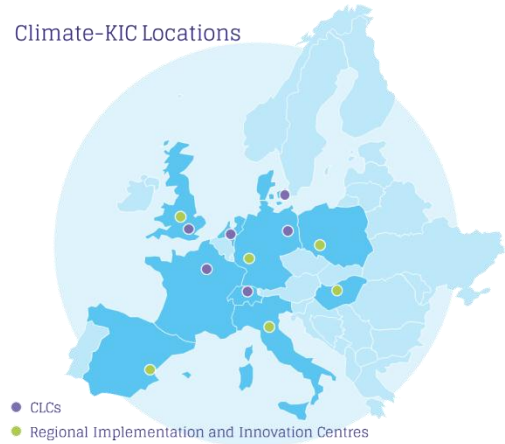
- **Our innovation community is a unique asset.** Climate-KIC has established a unique innovation community of partners and people. We will continue to refine this community in line with our partnership strategy. Relationship management will ensure partners gain maximum advantage, while network analysis will analyse community efficacy and enable enhancement.
- **Pipeline integration.** We have developed a substantial portfolio of activities. We will build on these and will integrate them fully into the innovation pipeline.
- **Focus.** Our challenge platforms are well embedded and provide thematic focus for addressing climate change mitigation and adaptation. Within these themes we will now further sharpen focus with a small number of big high impact innovation projects, as 'flagships' for Climate-KIC.
- **Ecosystem.** We have a strong ecosystem with 5 co-location centres and 6 regions of the RIC. We will boost these further to enable them to take on increased responsibility as the Climate-KIC business grows.
- **Financial sustainability.** Climate-KIC will review and test a range of possible revenue streams to address their potential in contributing to KIC sustainability.
- **Climate accounting.** Our activities must have climate impact. Climate-KIC will define the emissions reduction resulting from its innovation projects and activities, and will reduce its own operational impact by 'greening' the business.

Who We Are

Climate-KIC is a world-class community of partner institutions that educates climate innovators, supports good business ideas, and develops valuable products, services and markets that address climate change mitigation and adaptation.

Key highlights

- **Thriving European community based on excellence.** We are a thriving community of [23] core partners and [160] affiliate partners from across 11 European countries. Our numbers have grown year-on-year and new partners are selected for strategic fit.
- **A balanced partnership.** Our [183] partners come from education, research, business and regional/local government – much more than just the traditional knowledge triangle. Approximately 50% of partners are businesses – both large and small.



- **Two types of implementation hub.** Our 6 CLCs and 6 RIC regions are well established in leading hotspots of climate innovation. These hubs complement each other, both geographically and in their contribution to climate innovation. Our CLC partners include world-class business, universities and research institutes, clustered to drive innovation. Our RIC partners from public, private and academic sectors have leading expertise in testing, implementing, scaling up and delivering innovation.

- **Integration.** The CLC and RIC regions are the hubs that focus and integrate their local communities, while the four sectors work together across the KIC to deliver world-class innovation that addresses societal challenges and is supported through to its full implementation. Work is focussed in eight thematic areas – our platforms.

Climate-KIC is primed to deliver on innovation for climate change mitigation and adaptation, and to stimulate a green economy.

Partner Distribution by Legal Entity August 2013



How We Work

Our three pillars—Education, Entrepreneurship and Innovation—drive our business and provide a shared “toolbox” to support our climate innovators. Our CLCs and the RIC lead and manage their local ecosystem of partners. They are at the heart of everything that we deliver. The challenge platforms represent our innovation communities at a pan-European level. They define our demand-led innovation targets and enable the pillars to integrate their activities around their challenges

In summary, Climate-KIC:

- Is Europe’s pipeline for innovation in climate change mitigation and adaptation
- uses active partner management to create innovation opportunities for its community
- incubates and accelerates activities in its pipeline by using the world-class expertise and resources of its partners
- focusses and integrates its education, innovation and entrepreneurship activities through platforms each managed by one of its CLC or the RIC
- transforms people’s motivation and ability to actively engage in climate change innovation and entrepreneurship
- fosters a generation of climate change innovators and entrepreneurs

Our focussed thematic approach – challenge platforms

Our 8 platforms provide thematic focus in those areas where there is a major climate challenge and where Climate-KIC has the world-class expertise to deliver innovation on the European and global stage. They were launched in 2012, and during 2013 have played a major role in our innovation strategy and portfolio.

Climate-KIC thematic focus

Greenhouse Gas Measurement - Sustainable City Systems - Transforming the Built Environment - Adaptation Services - Land and Water Engineering for Adaptation – Bioeconomy - Industrial Symbiosis - Making Transitions Happen

We have delivered

Since 2010 Climate-KIC has recruited over 300 students to our masters and doctoral training programmes. We have 50 ongoing Innovation and Pathfinder projects, and in 2012 worked on 188 business ideas and incubated a further 74, resulting in 15 new start-ups, and 10 new products already on the market. Examples of our success stories are given in annex XX.

KPI	2012 result
Business ideas incubated	74
Business ideas worked on	188
Services/products launched	10
Knowledge transfer	24
Start-up	15
Policies/standards co-developed and implemented	11
Graduates	22
Publications	58

The Year Ahead

Climate-KIC is now well established and has built up capacity. In 2014 as we further ramp up – in size, ambition and budget – our focus will remain firmly on excellence in all that we do.

Our professional organisation:

We will increase the innovation capacity of our community, by:

- The addition of 1 new CLC in the Nordic innovation hot-spot to increase innovative capacity
- Extending the RIC role to increase engagement in southern and eastern Europe and to build on regional excellence and implementation capacity

- Active partner management to create innovation opportunities and ensure that partner synergism within the community is optimised
- Enhancing people-to-people interaction and communication

We will ensure good governance by building on structure and processes to ensure they continue to be fit-for-purpose as Climate-KIC grows, by:

- A strong professional centre to oversee strategic development
- Further devolution of implementation to the ecosystem of our CLC and RIC regional hubs, with clear levels of responsibility and accountability
- Business process optimisation
- Reviewing our governance, and legal structure and processes to ensure alignment with Horizon 2020

Please see pages 35-43 for further details.

Our activities:

Climate-KIC's activities are strategically overseen and developed by our three pillars – Innovation, Entrepreneurship and Education - and implemented via the CLC and RIC regions. These different players all act in concert to create and support Climate-KIC's innovation pipeline.

Activities leading to products, people, services and policy can enter the pipeline at any point from ~TRL 4 onwards via 'in house' Innovation projects or at later stages as start-ups and SMEs. Support, tailored to the innovation stage, is provided by Entrepreneurship, while Education trains innovators and entrepreneurs to work in the pipeline and to disseminate innovation.

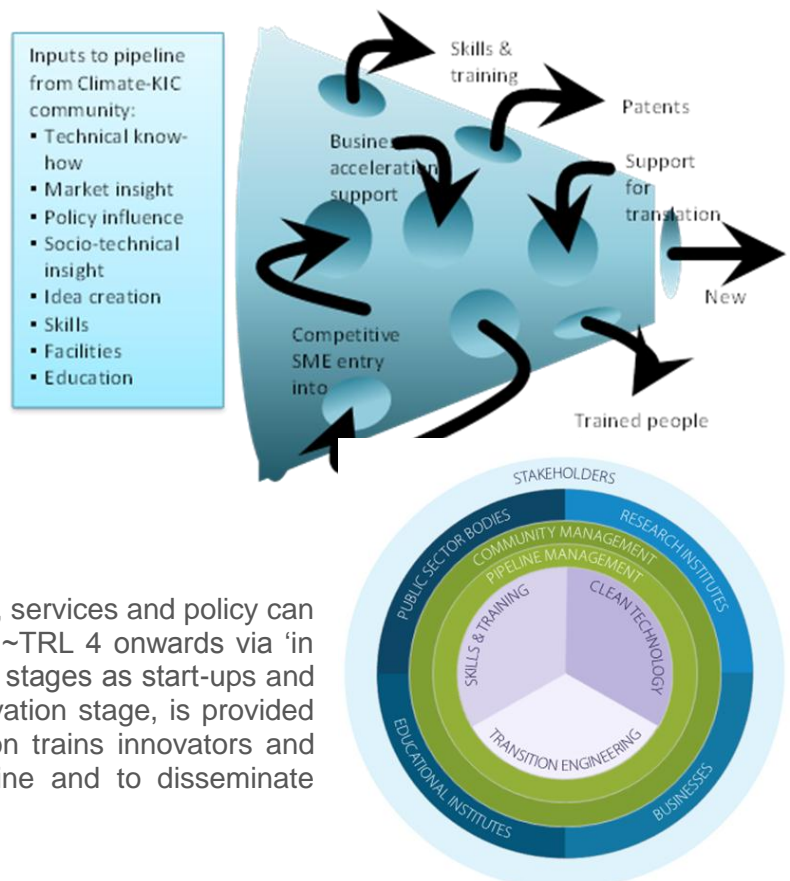
Education

Climate-KIC has delivered exceptional education programmes since 2010. In 2014 we will further build on these. In addition, we will broaden our scope and ambition to focus on two game changing areas:

Developing Talent. We will:

- Deliver a suite of 60 EIT-labelled masters programmes and a pan-KIC EIT-labelled doctoral school
- Continue delivery of our flagship activities - 'the Journey', SPARK! Lectures, Greenhouse incubation
- Offer thematic summer schools, based on the successful pilot run by our 'Making Transitions Happen' platform
- Develop on-line courses in collaboration with KIC InnoEnergy and EIT ICTLabs, to make knowledge accessible across the globe.
- Develop training programmes to support the complex nature of working within the

Climate-KIC Open Innovation Pipeline



knowledge triangle, to support the Climate-KIC community and retention of talent within it.

Tailored training programmes ‘Capitalising on Knowledge’. We will:

- Develop executive education, based on new knowledge developed within innovation projects. This will enable Climate-KIC’s thought leadership role.
- Develop commercial packages based on this knowledge and experience, for wider dissemination of learnings and revenue generation.

Please see pages 43-52 for further details.

Total 2014 KAVA budget for Climate-KIC Education is €[xx] million of which €[yy] million is requested from the EIT.

Entrepreneurship

Climate-KIC sees tremendous need and potential for further growth – supporting all our Innovation project teams, as well as the many start-ups and SMEs that emerge from them as well as the many who are recruited to our pipeline at later stages. Our Entrepreneurship pillar has created a rich feature set of the whole Climate-KIC programme (business coaching, master classes, Venture Competition, incubator network, synergies with the Education pillar and the Innovation pillar). This creates a unique environment for our early stage start-ups and SMEs to boost their growth and become worldwide exporters of clean technologies with climate impact. Entrepreneurship and business support for Innovation project teams is provided in collaboration with the Innovation pillar who lead on this, enabling climate innovators to develop projects that deliver technologies and policies towards market readiness.

The plan for 2014 takes advantage of this by:

- Scaling the acceleration programme for start-ups and SMEs, the key focus of the Entrepreneurship pillar – to reach the goal of becoming the world’s largest climate accelerator programme
- Developing a world-class support framework: EU wide business ideas competition, EU coaching network, validation support and incubators network
- Strengthening the link between the Entrepreneurship programme activities and Investor communities at national and European level, to be fully aligned with testing and implementing schemes for the creation of revenue
- Providing business support for all Innovation project teams, following the very successful pilots in 2013 – a major focus for the Innovation and Entrepreneurship pillars.
- Ensuring that this growth goes hand in hand with guarding the quality of the programme across the CLCs and RIC.

Please see pages 53-59 for further details.

Total 2014 KAVA budget for Climate-KIC Entrepreneurship is €[xx] million of which €[yy] million is requested from the EIT.

Innovation

Climate-KIC Innovation delivers (Innovation and Pathfinder) projects that are the seeds for new products, services and policy. We work to ensure that projects deliver high innovation value, globally marketable outcomes and positive climate impact by testing new methods to

link world-leading innovators with cities regions and large companies. The challenge platforms, each managed by a CLC or the RIC, provide our thematic focus and are our vehicle to integrate the activities of Innovation with Entrepreneurship and Education.

The portfolio of Climate-KIC Innovation has grown to around 50 Innovation and Pathfinder projects and first projects are finishing. This provides an ideal basis to now address 3 key challenges in 2014, which will further enhance our performance.

- **Developing the highest global impact.** Having clarified in 2013 our strategic thematic focus, for 2014 we are in a position to further scale up in order to increase our impact.
 - A number of 'flagship' initiatives will be launched in areas that have demonstrated their high potential impact. These large initiatives will also enable smooth management of our growth and will significantly contribute to the transitions that are needed to tackle climate change.
 - We will in also initiate strategic partnerships to leverage additional funds and roll out our approach and resulting innovations and will explore pilot cases for revenue generation via joint ventures or development of Climate-KIC services.
- **Refining our Innovation model.** To further increase innovation delivery and climate impact we will refine pipeline management.
 - Following a trial in 2013, from 2014 all Innovation projects will have 3 clear 'stage gates' to manage projects from idea to outcome (proof of concept, demonstrator, market launch), optimising their progress toward marketable products and policy tools, and providing clear exit points if progress is not appropriate.
 - In addition, projects must address three work streams: (i) the development of the technical or socio-technical innovation through a clear set of deliverables into the marketable product/service, ii) the business model development, including early-stage engagement with customers, and (iii) the capacity to mobilise, allocate and manage the right mix of human and financial resources over the project life time.

This approach will enable us manage a large intake of projects at the ideation stage which can be progressively selected in order to fully develop only those that are the most promising and have the highest impact..

- **Increasing the capacity of our innovators.** For 2014, we will run a capacity building programme to ensure that all innovators in our ecosystem - platform teams, project leads, project managers - share a common vision and have the correct competences to deliver. In collaboration with the Education and Entrepreneurship pillars, we will develop a tailored programme of master classes (e.g. on business modelling, communication, workshop facilitation, influencing policy change) and induction courses on the KIC toolkit.

Please see pages 60-72 for further details.

Total 2014 KAVA budget for Climate-KIC Entrepreneurship is €[xx] million of which €[yy] million is requested from the EIT

[Outreach, Collaboration and Strategy](#)

Outreach. We will build on the portfolio of outreach activities that we have been developing during 2013. These were designed to provide the foundation on which a long term sustainable programme can be built to develop capacity beyond the boundaries of Climate-KIC and to extend the reach of such activities.

- **Extending reach.** We will use our 6 RIC regions to develop a hub-and-spoke model of outreach. Initially bilateral links will be established between each RIC region and an outreach partner region. The number of such linkages can be increased with time.
- **Developing sustainable capacity.** A range of activities will be delivered via these regional hubs. These will be aimed at developing local capacity that can be built on further in subsequent years. Activities will include: professional education, capacity building for incubators beyond the Climate-KIC network, innovation showcase events,

Climate-KIC challenge competitions and attendance at the annual Climate-KIC Innovation Festival (Valencia in 2014).

Collaboration

Several activities will be carried out in collaboration with one or both of the other 2 KICs.

- **Education.** In 2014 Climate-KIC will collaborate closely with KIC InnoEnergy and EIT ICTLabs to develop a Massive Online Open-source Programme (MOOP) masters activity.
- **Innovation.** Climate-KIC's focus as Sustainable City Systems and the Built Environment complements the innovation work in these areas in KIC InnoEnergy and EIT ICTLabs. We will collaborate on innovation ideas and progress and work towards further synergism and collaboration.
- **Strategy.** KICs themselves are a big innovation experiment, from which we must learn and share the outcomes. Lessons learnt will help to improve performance of current KICs and support the development of new KICs. We will investigate:
 - Climate-KIC's impact on climate change, using climate accounting
 - The efficacy of our innovation community using social network analysis
 - A thought leadership programme to influence and increase impact
 - Models for global engagement

Please see pages 73-80 for further details

Total 2014 KAVA budget for Climate-KIC Outreach and strategy is €xx million of which €6 million is requested from the EIT

Financial summary

Delivery of the Climate-KIC 2013 business plan requires a budget of:

Education: [xx] M € million of which [yy] M€ requested from EIT

Entrepreneurship: [xx] M€ of which [yy] M€ requested from EIT

Innovation: [xx] M€ of which [yy] M€ is requested from EIT

Outreach, Strategy and Collaboration: [xx] M€ of which 6.0 M€ is requested from EIT

Operations, communications: [xx] M€ of which [yy] M€ is requested from EIT

Total budget: [xxx] M€ of which co-funding is [yyy] M€

Total value of complementary funding: [zzz] M€

Request from EIT: 75 M€

A. State of play of the multi-annual Climate-KIC strategy implementation: Monitoring of activities, past achievements and lessons learnt

Achievements

Climate-KIC is a world-class community of partner institutions that educate climate innovators, supports good business ideas, and develops valuable products, services and markets that address climate change.

Past achievements – key highlights

- An innovation community - spanning business, academia and government across 11 countries of Europe creating a synergistic innovation community
- Co-location Centres and Regions - two complementary types of innovation hub to ensure excellence in innovation, linking of demand and supply sides, and ability to implement innovation
- Focus – challenge platforms with clear strategic focus
- Integration – across pillars, creating the innovation pipeline
- Output - people, products and services to address climate change mitigation and adaptation

2013 has been a key defining year for Climate-KIC – building on the innovation traction gained in 2012, delivering on our ambitious strategy for 2013, and preparing for ramp up to 2014. The range of extreme weather events worldwide, and political problems in addressing these, shows the urgent need for innovation in technology and policy, together with trained entrepreneurs, to address not only climate change mitigation but also adaptation on the European and global stage.

Climate-KIC understands that to be successful and deliver on excellence in innovation, we must review our performance and learn lessons from this, and be agile and adaptable in our response.

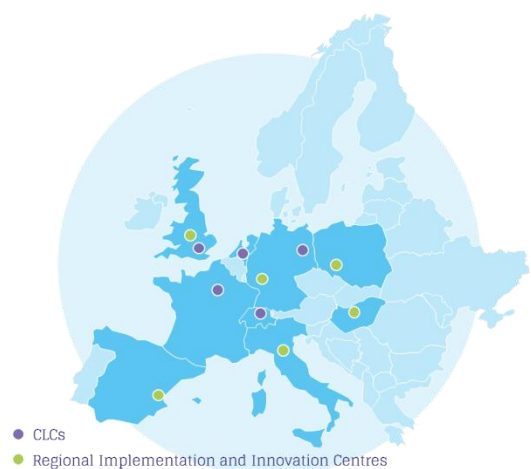
Monitoring and review. Climate-KIC monitors performance against the 6 EIT KPIs and against its own Scoreboard. In addition, it undertakes annual review of all innovation projects and performs periodic detailed reviews of key areas (for example: Education – theJourney, 2011; Partnership strategy, 2012; Revenue generation, 2013; The Pioneers-into-Practice programme, 2013). The process for learning from lessons and planning for the future follows sequential review and action via: CLC/RIC and pillars, Executive Team, Governing Board and Annual Retreat each spring. The Retreat kick starts the formal annual Business Planning cycle, although much preparation has preceded this.

Our innovation community

Achievements:

Our community, with its world class partners from research, business, education and government, and our complementary CLC and RIC hubs, gives Climate-KIC its unique innovative capacity and is our biggest asset enabling the innovation pipeline. It is therefore crucial that we support and strengthen it as the Climate-KIC business grows.

The current community comprises 23 core partners and 160 Affiliates from across Europe. The partner portfolio has been progressively built, following the guidelines laid down in the 2012 Partnership Strategy, ensuring alignment with overall innovation strategy and implementation. Every partner belongs to a hub - CLC and RIC region – providing a 'local' community within the larger overarching community of Climate-KIC. In 2014, each CLC and RIC will establish a system of relationship management to optimise engagement with partners. This follows a successful 2013 pilot in the UK CLC.



Climate-KIC currently has five CLCs, based in Berlin, London, Paris Saclay, Utrecht and Zurich. These are each led by world class academic and business partners and form the 'Innovation factories' of Climate-KIC. In addition, and unique to Climate-KIC, there are the six regions of the RIC, based in: Germany (Hessen), Hungary (Central Hungary); Italy (Emilia Romagna), Poland (Lower Silesia), Spain (Valencia), and UK (West Midlands). These regions are led by regional or local government and provide the excellence, expertise and facilities for test beds and for implementation and scaling up of innovation. It is this duality of hub function – CLC and RIC – that was proposed in our 2009 Proposal and which now clearly provides a unique and crucial feature of Climate-KIC's innovation community.

The Executive Team meets face-to-face on a monthly basis, while the Governing Board meets six times per year. Virtual meetings via our video system are increasing, replacing physical meetings and enhancing others (which were previously held by telco), as envisaged in our 2009 proposal.

Lessons Learnt:

- 1. As the activities of Climate-KIC grow, so too does the number of partners. We must monitor strategic fit of all partners, maintain community integrity and ensure structure and processes continue to be fit-for-purpose.*
- 2. To optimise the synergism within our innovation community and refine our value proposition, we must understand what each partner can contribute to and gain from Climate-KIC, and how in combination our partners can complement each other.*
- 3. Climate-KIC should review its architecture to identify missing key innovation 'hotspots' in Europe that are not currently contributing to and benefitting from the KICs innovative capacity.*

Actions:

4. We will continue our current partner application review process, using standard criteria to ensure excellence and strategic fit. From 2014, the entire partner portfolio will be reviewed on an annual basis, in March each year.
5. This year we reviewed the CLC and RIC landscape and have concluded that Climate-KIC should add one additional CLC to its architecture – as anticipated in our 2009 Proposal. Our review of climate innovation potential across Europe concluded that the key missing area is Denmark (Copenhagen plans to be the world's first carbon neutral city in 2025) and the Nordic region. Following an excellent proposal, led by the Technical University of Denmark (DTU), together with business and government bodies, we will establish a sixth CLC led from Denmark but using a 'hub and spoke' model to progressively develop a Nordic CLC.
6. We established, in 2013, a Task Force to review the role of Climate-KIC in Central, Eastern and Southern Europe. We conclude that the most effective development is to build on our existing and successful RIC regions. We will trial the hub and spoke model to extend their reach within and beyond their national borders, but care will be taken not to overstretch these regions. In this way we will maintain our core RIC architecture and use it to engage the best talent and the best opportunity to the benefit of the whole of Europe.
7. Strategic development and expansion of the Climate-KIC business also requires management excellence. Climate-KIC is and will continue to stringently review all business processes to ensure that they are fit-for-purpose – for 2013 and leading into 2014 and future years.

[Our innovation pipeline: providing people, products and services to address climate change mitigation and adaptation](#)

Education

Achievements:

Climate-KIC Education develops and delivers education and training activities to create climate change innovators and entrepreneurs. Recruitment of first class candidates is increasing year-on-year. In 2013 we progressed this mission through consolidation of existing programmes and creation of strong additional offerings.

By the end of 2013, complete masters and doctoral programme across Europe will have the EIT label. These are truly integrated in our community and the knowledge triangle, with the majority of students now firmly embedded within the work of one of our eight challenge platforms. The programmes cover diverse disciplines to tackle the diverse challenges of climate change and are delivered by the top Universities in Europe. In 2013 the 'Making Transitions Happen' platform ran the first of these summer schools hosting ~ 40 PhDs. Students worked in real time with city officials and business representatives on issues faced by the city of Frankfurt to become carbon neutral by 2030.

In 2013 Climate-KIC tested an 'enabler Journey'. This shorter summer school caters for those already in employment who support change in their companies or local areas. The focus is on skill development in policy implementation, negotiation, influencing, and working in large and varied teams to enact change. It therefore complements the entrepreneurial training for entrepreneurs and intrapreneurs that is delivered by the Journey. Following success this year, the programme will be expanded in 2014.

The expansion of the Journey to the RIC regions in 2013 has brought in new and diverse participants as well as drawing on the excellence of the regions

Student mobility has developed strongly in 2013 with students undertaking such embedded projects as traveling to the USA and Japan to research their incubator networks to feed information back to the entrepreneurship pillar. Many others are participating in activities generated within our platform network. We will integrate this 2013 *ad hoc* activity into the international programme strategy for 2014.

Finally, the Climate-KIC Alumni Association (www.ckaa.eu) is thriving, having become an Affiliate partner of Climate-KIC in late 2012. We envisage a close 2-way interaction between Climate-KIC and the Alumni Association, for example alumni will be closely involved in the Social network strategy project (section C5.1.2).

Lessons learnt:

1. Drawing on the RIC Education Opportunities Report (annex 4.7.z in the Climate-KIC 2012 report) Climate-KIC identified that there are 3 different types of innovator: Entrepreneurs, Intrapreneurs, and Enablers. We must support all of these to enable innovation, not just the entrepreneurs.
2. Climate-KIC students are most enriched by activities that utilise the full scope of the community. They become valuable members of the platforms when they can draw on knowledge and networks that the individual partners do not always have time to develop.
3. Climate-KIC Innovation projects are now delivering new knowledge as one of their project outputs. We should capitalise on this knowledge and use it as the source of material for our executive education and thus a revenue stream for Climate-KIC.
4. The Climate-KIC community requires support and structure to get the highest potential out of the network we have developed.
5. Broad dissemination of Climate change knowledge and closer interactions with the other two KICs will, of course, strengthen our offering to Europe

Actions:

1. We will develop a portfolio of summer school offerings to support talent under all three forms of innovator, building on the great success of theJourney
2. The Climate-KIC labelled programmes will build on their work with the innovation and entrepreneurship pillars to continue to create and develop mobility and learning opportunities that are embedded in our community and specifically within the platforms.
3. Following the successful pilot thematic summer school run by the MTH platform, the programme will be expanded with other platforms in 2014.
4. Climate-KIC executive education will develop to support and deliver courses from new knowledge generated in the Innovation projects. This will make us thought leaders in the Climate arena as well as creating potential revenue streams for Climate-KIC.
5. To ensure retention of top talent within the community we will develop training programmes to support the complex nature of working within the knowledge triangle.
6. We will develop online courses and programmes with the other two KICs to make knowledge accessible across the globe and utilise the strengths of the three KIC areas (Climate, Energy, and ICT) combined.

Our successes are summarised in the box below and in Annexes [xxx].

Education highlights 2012

- 31 EIT-labelled masters programmes launched
- 5 Journeys hosting 241 masters and PhD students
- Excellent student feedback
- 12 student business ideas incubating in Greenhouse

Entrepreneurship

Achievements:

Climate-KIC has created a unique environment for early-stage start-ups and SMEs to boost their growth and become worldwide exporters of technologies with climate impact. Climate-KIC Entrepreneurship aims to catalyse and scale the creation of new business out of climate mitigation and adaptation related inventions. This is achieved by building on and linking some of the best entrepreneurship hotspots in Europe, which are challenged to achieve the next performance level. There are several pathways for the creation of new business out of climate inventions. The Entrepreneurship activities of Climate-KIC focus on the business creation by Innovation project teams, start-ups and young innovative SMEs. The vision of Climate-KIC is that the bigger companies, and potentially industry sectors as a whole, play an important role in the support of these start-ups and SMEs by taking the role of co-investor, launching customers and offering expertise, coaching and advice.

In the Acceleration programme, Climate-KIC is using a three-stage approach. Stage one is the initial business plans and financial modelling, stage two is verifying assumptions and meeting clients, while in stage three start-ups focus on gaining traction both in terms of clients and investors. The programme now runs steadily in all CLCs and in regions with great success and will be scaled up significantly in 2014.

Linked to this, the Climate-KIC incubator network is now wide-spread across Europe, with recent additions in the co-locations and RIC regions. Based on this experience, expansion is planned in the regions and support outside the Climate-KIC via the outreach programme. Climate-KIC has organised four very successful Masterclasses in 2013 (Lean start-up, Sales, Negotiations dynamics and Carbon revenue opportunities within your business model), with 234 participants already in 2013. The Entrepreneurship team has also planned

and organised already four additional Masterclasses that will take place in the second half of 2013. The programme will be expanded in 2014.

In the Climate Market Accelerator (CMA) we focus on innovation brokerage between suppliers and end-users of climate solutions. Climate-KIC helps end-users meet their climate-related challenges, who then go on to become the launch clients for new solutions provided by some of Europe's most innovative entrepreneurs. As of September 2013 we have eight running pilots, covering five CLCs and regions, and thematically covering six of our eight thematic platforms.

The success of the Climate-KIC entrepreneurship activities shows in the successes of our start-ups. Some of our success stories are presented in annex [annex xx].

The Pioneers into Practice programme (PiP) is one the Climate-KIC signature activities since 2010. It breaks down the barriers between business, education, research and public bodies by providing placements, mentoring and interactive learning for professionals across the Climate-KIC regions. In the first six months of 2013 we have selected more than 190 pioneers, organised and implemented their first placements, run intensive 2-day workshops on system innovation / transition management in all regions and matched pioneers for their international placements which will take place during the second half of 2013. All Pioneers join our graduating students to become members of the Alumni Association – one of our affiliate partners - and thus remain firmly within the Climate-KIC community. The programme will be continued at its present level in 2014.

Lessons learnt:

1. The pilot entrepreneurial support and business coaching for Innovation project teams (led by the Innovation pillar) was very successful, helping the project teams develop their business model and market readiness.
2. Training and support for start-ups was very successful. Already the first generation of Climate-KIC start-ups have shown a healthy growth and some of the start-ups already proved in 2013 that they were ready for external investors. Some examples of such successes are given in annex xx.

Actions:

1. From 2014 onwards, all innovation project teams will be given business support and coaching. This will be managed by the Innovation pillar, in collaboration with the local CLC/RIC, with support from the Entrepreneurship pillar.
2. In preparation for supporting start-ups that are ready for external investors, Climate-KIC has worked hard in 2013 to establish connections with the investor communities for all CLCs. These connections will be further developed and professionalised in 2014, and their potential explored via matchmaking events.
3. Climate-KIC will extend the training and support to the SMEs that fall within the thematic areas of the 8 platforms to ensure integrity of the innovation pipeline. We will investigate and implement an easy model to support SMEs and validate their climate innovations via, for example, Climate-KIC SME Clubs based at CLCs.
4. Work with the incubator network will focus on working together to share and harmonise good practice. Based on our 2013 experience, we will expand the network within the RIC regions and provide support to incubators outside the Climate-KIC via the outreach programme. Formal 'Climate-KIC labelling will not be pursued since this distracts from the important benefits of collaboration.
5. The Pioneers into Practice programme (PiP) has been a flagship activity since 2010, run by the RIC regions. In 2014 we will build on the successful pilot of 2013 to extend the programme to include host institutions for Pioneers within the CLC. The programme will also be closely linked with the Education pillar, with Education

involved in strategy development and implementation. Education will join of PiP Board to ensure cross fertilisation and integration with other Education activities, especially the 'Knowledge Acquisition' component.

Our successes are summarised in the box below and in Annexes [xxx].

Entrepreneurship highlights 2012

- 172 sector- and geography-crossing Pioneers
- 74 new business ideas incubated
- 20 SME vouchers
- 4 Climate Market Accelerator pilots
- 10 match-making events
- Climate-KIC venture competition and Open Innovation Slams

Innovation

Achievements:

The eight challenge platforms, set up during 2012 are now well established - providing the strategic focus on the selected themes of climate change. Platform teams of experts have focussed their strategy and are building their thematic platform communities. Although platforms participate most evidently in Innovation activities, they play a significant role in education (i.e. selection of PhDs) and entrepreneurship (i.e. thematic CMA pilots). Regular workshops have been held in 2013 where platform co-chairs and the Executive Team meet to discuss and define strategy and to work on integration of the activities across all three pillars within the platform communities. These have proved to be very effective in developing cross-KIC strategy and cohesion and will continue in 2014.

Innovation activities are progressing well in 2013. There are 30 Innovation and 21 Pathfinder projects running currently. The latter aim at identifying markets, removing barriers, developing benchmarking methods and paving the way for innovation projects. Innovation and pathfinder projects play a major role in shaping the community, and nearly all CLC partners and an increasing number of RIC partners participate in these. Further RIC involvement will be developed in 2014 to enhance the complementary cross-talk between these two components of the Climate-KIC community.

Quality assurance of projects is key for delivering excellence and climate impact. QA process span the entire duration of each project from initial review for strategic fit, through expert external review to mid-year progress reviews for all running projects each year. Results of the reviews allow for regular update on performance, ensure timely delivery and allow for steering projects, early warning or even closing down, should it become necessary. The overall rejection rate leading into BP2013 was 40%, while for BP2014 it is 50%. highlighting the vibrancy of the community, and the very stringent selection that must take place.

A key aspect going forwards is the business support and commercial review of innovation projects to ensure they progress through to market – with clear impact on climate change. Business support from the entrepreneurship pillar has been trialled with great success in 2013, while commercial review will be undertaken by the newly appointed CCO.

Lessons learnt:

- Climate-KIC should build on the success of the platforms to sharpen focus and increase innovation impact. Climate-KIC needs 'flagships'.
- Transforming good ideas or even start-ups into sustainable businesses remains a challenge in the area of climate change. This is a key role for the CCO.
- Feeding the pipeline for innovation excellence. To be innovative we must have a large initial intake of projects, coupled to stringent stage gates to optimise innovation success.

- Innovation project teams require a balanced overall capacity in innovation, business development and management. They should receive business support and advice to ensure sustainable business and high impact in climate change.

Actions:

1. Development of high impact innovation programmes to be Climate-KIC's 'flagships' on the European and global stage.
2. Acceptance of large initial intake of high quality projects, with use of clear stage gates and strong selection to ensure efficacy of the innovation pipeline.
3. Optimised membership of project teams and provision of CLC/RIC support including business coaching, to optimise success, business outcome and climate impact
4. Review of all innovation projects by CCO, with focus on the business model, to ensure ideation leads to commercial application and success

Our successes are summarised in the box below and in Annexes [xxx].

Innovation highlights 2012

- Integration of Innovation, Entrepreneurship and Education actors and activities
- 7 new Innovation and 8 new Pathfinder projects launched
- 9 Demonstrations
- 51 New employees as a result
- 11 Policies/standards co-developed
- 58 publications

Communication

Good internal communication is essential to enable optimal functioning of the Climate-KIC community, while external communication is crucial for the dissemination of ideas and knowledge, and most importantly, for thought leadership. This latter aspect will form a strategic programme in 2014, after trialling in 2013.

Based on our communication strategy developed in 2012, Climate-KIC has expanded its communication activities in 2013. In April we launched our new website and significantly increased our online presence via the Climate-KIC blog and social media representation. We are currently working on the development and structuring of our internal communication tool, the Community Hub. This is designed as an efficient platform for communication and collaboration between partners in our Climate-KIC community. This will play a major role in internal communication and collaboration from 2014 onwards. Regular CEO updates sent to all members of the community were redesigned and relaunched in 2013. Based on their success, these will be continued through 2014.

In 2012/2013 we have established our communication tools. We now need to step up the activity: to improve internal communications, and to improve external communications to have more impact and influence. 2014 is a great opportunity. We will: populate and ensure efficacy of the Community Hub, enhance internal data/news gathering capacity, implement partner brand strategy, ensure the website is fit-for-purpose for reaching and informing the external audience, establish a Thought Leadership programme based on the 2013 pilot

Our successes are summarised in the box below and in Annexes [xxx].

Communication highlights 2012

- Delivery and implementation of Communications Strategy
- Social media channels
- Community Hub

Outreach

For outreach, Climate-KIC is trialling several new activities in Q3/Q4 2013, following signature of the modified Grant Agreement, following signature on 28 August 2013.

The regions of the RIC in Eastern and Southern Europe provide an excellent springboard for these outreach activities and we are incorporating this into our regional strategy. Outreach activities will include: professional education courses (one each in eastern and southern parts of Europe); a capacity-building programme with incubators beyond Climate-KIC network together with a Masterclass on running a successful climate incubator / accelerator programme; a pan-European climate venture competition; Climate-KIC showcase events in RIC regions; a challenge competition on specific climate-related challenge for Central and Eastern Europe; development of initial course content for MOOP; additional participation at the Innovation Festival and a study on Climate-KIC outreach model, with workshops and study visits will build on this to ensure sustainability.

We will review the outcomes of these activities when they have been completed at the end of 2013 and will use the results to inform 2014 activities – with particular focus on those that lead to sustainable outcomes.

Our successes are summarised in the box below and in Annexes [xxx].

Outreach highlights 2012

- 37 students attended Winter Journey hosted by Central- Hungary and Lower Silesia and Dutch CLC, for postgraduate students from 4 'Outreach' countries (Bulgaria, Hungary, Poland, and Slovenia)
- 300 participants at Outreach Conference on 'Roles Models in Innovation', Wroclaw, Poland December 2012
- 40 participants at 4 Entrepreneurship Study Visits to UK CLC and 3 RIC regions (Italy, Spain, UK)
- 35 attendees at outreach Professional Education Course, Budapest, December 2012
- 88 applications for SME vouchers to business from outreach countries; 7 awarded
- 2 consultancy contracts completed, generating a strategic overview of outreach educational opportunities and a manual for delivering the Journey to the RIC

Performance against original proposal

Climate-KIC has performed well overall against its original 2009 Proposal. Almost all qualitative goals have been met across all areas of activity. Numerical targets are more difficult to compare, since the original numbers were based on both KIC Complementary Activities (KCA) and KIC Added Value Activities (KAVA). In contrast, for 2010-present we have only reported on KPIs from KAVA. In addition, the original KPIs were based on yearly levels of EIT funding that were greater than those actually received (total across 2010-2012 was ~€50 million versus a predicted ~€70 million). However, when adjusted for these differences, 2012 performance either exceeded or met 16 out of 18 targets (across the areas of: KIC Community, Innovation, Entrepreneurship, Education, Outreach and dissemination), and lagged behind in only 2/18 (number of spin-outs, publications). However, it should be noted that current KPI definitions are more stringent than those originally developed, and that Climate-KIC, as for all 3 KICs, had a slower start than anticipated in 2010. A detailed analysis of performance against the Climate-KIC original proposal targets is given in Annex [xx].

B. Future implementation of the multi-annual Climate-KIC Strategy

Strategy and Vision

- **Our innovation community is a unique asset.** Climate-KIC has established a unique innovation community of partners and people. We will continue to refine this community in line with our partnership strategy. Relationship management will ensure partners gain maximum advantage, while network analysis will analyse community efficacy and enable enhancement.
- **Pipeline integration.** We have developed a substantial portfolio of activities. We will build on these and will integrate them fully into the innovation pipeline.
- **Focus.** Our challenge platforms are well embedded and provide thematic focus for addressing climate change mitigation and adaptation. Within these themes we will now further sharpen focus with a small number of big high impact innovation projects, as 'flagships' for Climate-KIC.
- **Ecosystem.** We have a strong ecosystem with 5 co-location centres and 6 regions of the RIC. We will boost these further to enable them to take on increased responsibility as the Climate-KIC business grows.
- **Financial sustainability.** Climate-KIC will review and test a range of possible revenue streams to address their potential in contributing to KIC sustainability.
- **Climate accounting.** Our activities must have climate impact. Climate-KIC will define the emissions reduction resulting from its innovation projects and activities, and will reduce its own operational impact by 'greening' the business.

1. Vision, strategy, business model and key goals for 2014 and over the medium to long-term

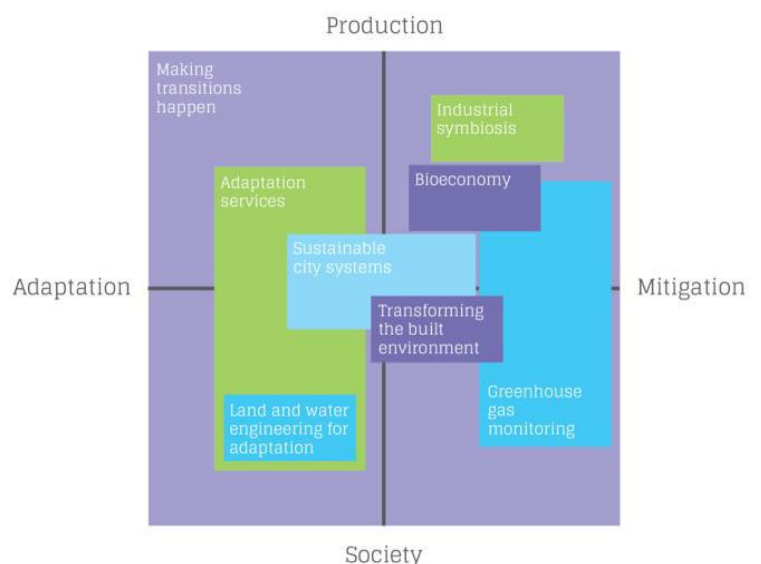
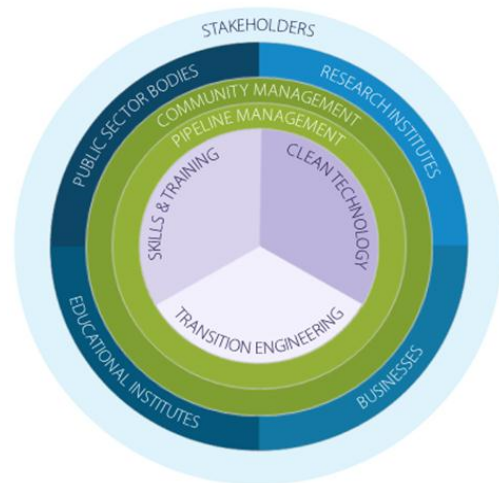
The impacts of climate change have become increasingly conspicuous in 2013 – with floods in central Europe, drought in North America's mid-west and soaring temperatures in Australasia. In May this year, the level of CO₂ in the atmosphere passed the 400ppm (Mauna Loa), and while the relative temperature rise has slowed, data suggest that the stored energy will lead to a rapid increase in temperature around 2020 and associated consequences. Such extreme events have huge economic and societal impact, and argue strongly for action to be taken on adaptation to as well as mitigation of climate change – for example, it is estimated that the costs of clearing up after the 2013 European floods is 7-times greater than the cost of prior prevention [ref]. Lessons learnt from global, supranational and national level show that this is hard to address in a political context, many targets have been missed, subsidies have been reduced, policy is heterogeneous and decisions taken in one political arena can seriously impact on another, as in the recent case where the vote by the European Parliament against back loading carbon tax has led to a big drop in the value of carbon in Australia. The economics of climate change are also disturbing. The carbon bubble threatens another financial crisis, we overvalue our infrastructure, and the global recession has provided an excuse for 'business as usual'. In the face of these scientific, political and economic observations, we must be ready for the future, and anticipate the climate tipping point.

It is clear that government funding cannot alone address the climate problem. What is important is to develop a thriving and sustainable green economy, with green business development, growth and green job creation. To achieve this within Europe we need to transform European's attitude to green entrepreneurship, create a European climate innovation community and create global climate innovation markets for Europe. We need models for a climate-resilient society. Climate-KIC now is well positioned to deliver on all these.

Overview of Climate-KIC

Climate-KIC is Europe's pipeline for innovation in climate change mitigation and adaptation, delivering skills and training, clean technology and transition engineering (pipeline figure [xx]). Innovation leading to products, people, services and policy can enter the pipeline at any point from ~TRL 4 onwards via 'in house' Innovation projects or at later stages as start-ups and SMEs. Support, tailored to the innovation stage, is provided by the Innovation and Entrepreneurship pillars, while innovators and entrepreneurs to work in the pipeline and to disseminate innovation are trained by the Education pillar. To enable this, we have developed a set of distinctive features which provide a cross-sector, cross-geography and cross discipline approach that creates a unique long-lived synergistic innovation community. These key features include:

- A community that brings together partners from 4 sectors - business, the public sector, research and education – adding the very important public sector to the traditional knowledge triangle
- 11 hubs to bring partners together and to provide the focus for management and implementation of activities. CLCs are the focus of world class innovation, while the RIC regions provide excellence in testing, implementation and scaling up of this innovation.
- The use of active partner management to create interactive innovation opportunities for the Climate-KIC community
- Incubation and acceleration activities to support the pipeline, using the world-class expertise and resources of our partners
- A focussed approach to climate change mitigation and adaptation through 8 thematic areas, each focussed on a major climate change challenge – 'challenge platforms' - and each managed by one of the Climate-KIC CLCs or the RIC
- Integration of Climate-KIC education, innovation and entrepreneurship activities through these 8 platforms, transforming people's motivation and ability to actively engage in climate change innovation and entrepreneurship
- Delivering people, technology, services and policy to address climate change
- Creating an enduring community of climate change innovators and entrepreneurs, thus extending the sustainable impact of Climate-KIC well beyond the boundaries of its partners and products.

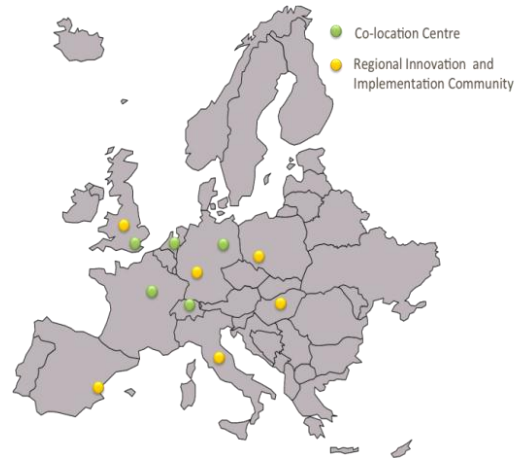


Excellence in our Climate-KIC Community

The Climate-KIC community is core to our ability to innovate. It is this smart community with its two complementary elements – CLC and RIC – and its unique approach to open innovation that is Climate-KIC's Unique Selling Point (USP). We have built this community

progressively and deterministically since the establishment of Climate-KIC in December 2009. We must continue to review, respond and modify as required for delivering excellence as the KIC grows and matures. For 2014 and beyond we will:

- Establish a 6th Climate-KIC CLC – the ‘Nordic CLC’, based in Denmark, to capture the first class innovative capacity in this region.
- Extend talent and innovation within Climate-KIC in Southern and Eastern Europe by building on the regional hubs of the RIC. In 2014 each RIC region will develop a bilateral relationship across a national boundary; eventually this will develop into a hub and spoke model of influence. While designed to extend two-way opportunities and benefits beyond Climate-KIC’s current borders, it is not intended that the spokes will lead to an expansion of Climate-KIC partners
- Review the partner portfolio annually to ensure optimum delivery of our strategy. We anticipate acquisition and loss of partners according to evolution of KIC strategy and implementation.
- Continue the annual review of structure and of business process optimisation to ensure full capability to step up to enhanced growth and delivery in 2014, and similarly for future years



The efficacy of the Climate-KIC community depends not only upon the membership, but also on the quality of interaction between its members. In 2014, and subsequent years, Climate-KIC will:

- Conduct further analysis of what each partner gives to and gains from the community to refine and optimise both partner and KIC benefits for innovation. We know from experience that although there are sector-specific opportunities for corporates, SMEs, academia and public bodies, there is also much variation within each sector.
- Develop a relationship manager system within the CLCs and RIC to manage the needs of each partner and to optimise partner-partner interactions. We will use this to further build the Climate-KIC innovation community.
- Conduct research into the efficacy of our innovation community. Excellence of partners is paramount. However, only when their interaction is optimised does the community becomes more valuable than the sum of its individuals. Future success is therefore determined by partner network’s efficacy, robustness, adaptability and capability to grow (in activities, influence). We will conduct a 2-phase project, the outcome of which will be used to optimise the added value of the Climate-KIC community. Phase 1 analysis of community function will use techniques of social network analysis. Based on the outcomes of this, phase 2 pilot studies will review potential action to enhance community efficacy.

Developing the Climate-KIC ecosystem

The innovation pipeline constitutes the core business of Climate-KIC, taking projects through from ideation to market. The pipeline is focused on eight thematic platforms: Greenhouse gas measurement; Sustainable city systems; Transforming the built environment; Adaptation services; Land and water engineering for adaptation; Bioeconomy; Industrial symbiosis; Making transitions happen. Innovation and Entrepreneurship pillars support the core of the pipeline, working sequentially as projects and products progress to market. Education

provides the people and the skills required for the pipeline to function. Thus it is the pipeline and the platform thematic focus within this where true integration of the three pillars takes place. **The ecosystem** within which this all managed, supported and delivered is therefore crucial to the success of Climate-KIC. This is the key role of the CLCs and RIC regions.

We already have a strong ecosystem with 5 co-location centres and 6 regions of the RIC. From 2014, we will boost the role and responsibilities of these hubs these further to enable the Climate-KIC business to grow in an effective and sustainable manner. While strategy for Innovation, Entrepreneurship and Education is developed and overseen by the pillars, implementation rests with the CLC and RIC. Thus the major responsibility for management of the thematic platforms and for management and delivery of innovation, entrepreneurship and education activities lies with these 11 (to be increased to 12 with the Nordic CLC in 2014) hubs. In addition, each CLC/RIC will develop a clear inventory and understanding of its own ecosystem, for example covering partner needs and capabilities, relationship management, capacity for co-funding and portfolio of KCA. Cross-CLC communication will be enhanced by development of the Community Hub, while distinctive CLC/RIC facilities and infrastructure, such as the Green Garage in Germany, will be pioneered by individual CLC/RIC prior to broader development.

A strong professional Climate-KIC centre will oversee and coordinate core and cross-KIC activities to ensure quality and comparability across all CLC/RIC.

Our core business – the innovation pipeline

Education: Climate-KIC Education has delivered exceptional postgraduate education since 2010. In 2014 we will continue to do so while strengthening our integration in the knowledge triangle by delivering robust support mechanisms especially focusing on the innovation pillar.

Underpinning all of this remains the challenge that: *Climate change innovation is more than any single discipline or sector can address and increasingly involves socio-technical innovation.* Therefore we will:

1. **Develop** talent across the spectrum through our postgraduate programmes
2. **Deliver** personal development to strengthen and support our innovation community
3. **Disseminate** widely (and capitalise on) the knowledge that we generate

This will be achieved by focusing our 2014 activities in two game changing areas: 'Developing Talent' and 'Capitalising on Knowledge'.

Developing Talent will cover the creation and support of top talent, and includes continuing students as well as new recruits, and short training courses. At the core we will have a suite of EIT-labelled masters programmes and EIT-labelled Doctoral School. Students will be supported by Summer Schools such as our flagship theJourney, thematic schools linked to our 8 platforms (based on the 2013 pilot run by the MTH platform) and theEnablerJourney to be piloted in 2014. Additional innovative support will come from SPARK! Round table discussion, Greenhouse incubation to prepare student entrepreneurs for Stage 1 business and E-learning primers on 'Climate Entrepreneurship Basics' and 'Climate Innovation Basics'. We will also support our innovation community more broadly, providing tailored training in topics covering: raising awareness, Communication, Creativity and Leadership. All activities are fully funded through Climate-KIC to generate a truly unique community of innovators.

Capitalising on Knowledge is an initial investment in future revenue generation and self-sustainability for Climate-KIC through design of executive education offerings from knowledge created in the innovation pillar. Over the years, as more knowledge is developed, this will grow in scale and scope.

All activities embody the Climate-KIC Education pillar values, and focus on quality. Through our values we develop our unique brand, and are continually pioneering in European education to push the boundaries of traditional courses and programmes. For further details on Education please see section C2.

Entrepreneurship: The Climate-KIC Entrepreneurship programme has seen sustained growth over the past years, as its role at all stages of Climate-KIC's innovation pipeline matures. In collaboration with the Innovation pillar, the pilot business support programme for Innovation project teams, was very successful and will be extended to all Innovation Project Teams in 2014, to optimise the impact of project outcomes. Downstream support for start-ups emerging from these projects and for start-ups and SMEs joining the pipeline at later points has been a major focus of the Entrepreneurship pillar, with accelerated growth in the programme year-on-year. 2013 has seen the first successes of the programme, as well (example). This shows that Climate-KIC addresses a key issue of the EU's innovation ecosystem by boosting the number of climate-related start-ups and helping them to the maturity level of becoming attractive for investors.

Climate-KIC sees tremendous potential for further growth. We have created a rich feature set of the whole Climate-KIC programme (business coaching, master classes, Venture Competition, incubator network, synergies with the Innovation pillar and Education pillar). This creates a unique environment for our early stage start-ups and SMEs to boost their growth and become worldwide exporters of clean technologies with climate impact. The plan for 2014 takes advantage of this by scaling the acceleration programme to match climate innovation growth at project, start-up and SME level - with the aim of becoming the world's largest climate accelerator programme, which is the core of the Entrepreneurship pillar. Achieving this requires substantial supportive arrangements to ensure this growth will go hand in hand while guarding the quality of the programme and growing investor awareness and commitment.

The highlights of 2014 are:

- Working together with the Innovation pillar to ensure all innovation project teams receive tailored business support
- Scaling the acceleration programme for start-ups and SMEs – for those already within and those recruited to the Climate-KIC community.
- Developing a world-class support framework: EU wide business ideas competition, EU coaching network, validation support and incubators network
- Pilots to create revenue with the Entrepreneurship programme

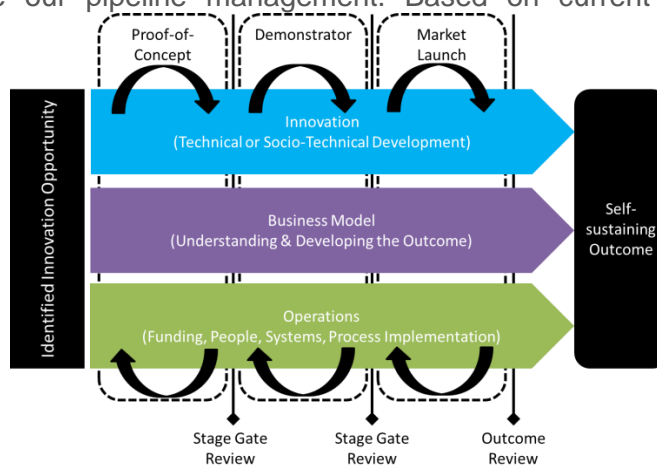
For further details concerning Entrepreneurship please see section C3.

Innovation: The Innovation pillar's activities area focussed within the 8 platforms and now cover a portfolio of ~50 Innovation and Pathfinder projects and our first cohort of projects is now finishing. Building on our experience, in 2014 we will further enhance our performance by: developing high impact projects; refining our innovation model; and increasing the capacities of our Innovators.

Developing high impact projects. Our platforms now all have strategic focus and Climate-KIC is in a position to grow, scale up and out in order to increase impact. In 2014 we will therefore launch a small number of 'flagship initiatives' emerging from the platforms, for example created by clustering new and existing in areas that have demonstrated clear high impact potential. These large initiatives will consolidate and bring sharper focus to our innovation activities, enable smooth management of our growth and significantly contribute to the transitions that are needed to tackle climate change. To increase our impact, we will also use these flagship initiatives to (i) initiate strategic partnerships to leverage additional funds and (ii) explore first pilot cases of revenue generation through joint ventures and the

development of Climate-KIC services.

Refining our Innovation model. To enhance the delivery and impact of our innovation activities, in 2014 we will further refine our pipeline management. Based on current experience, all Innovation projects will be developed via a staged process, ensuring their progress toward marketable products and policy tools (see figure). Project teams must also show how they will articulate three complementary work streams along the stages of the project: (i) the development of the technical or socio-technical *innovation* through a clear set of deliverables into the marketable product/service, ii) the *business* model development, including early-stage engagement with customers, and (iii) the capacity to allocate and *manage* the right mix of human and financial resources over the project life time.



A staged Innovation project model to measure and manage progress from idea to outcome

This approach will enable us to operate a broad imaginative entry to the innovation pipeline, with stringent selection at each stage-gate to ensure high impact innovation and optimise Climate-KIC’s innovation capacity and investment value.

Increase the capacity of our innovators. In order to achieve our objectives, we are planning a strong capacity building effort in 2014 to ensure that the innovators in our ecosystem - platform teams, project leads and members, project managers - share a common vision of desired outcomes and that we have the right competences to deliver. We will build on our 2013 pilot business coaching successes, and further develop business creation support together with the Entrepreneurship pillar. We will also develop a tailored programme of master classes (e.g. on business modelling, communication, workshop facilitation, influencing policy change) and will run induction courses on the Climate-KIC toolkit. The Education pillar will play a crucial role here.

For further details on Innovation please see section C4.

Climate accounting

Climate-KIC aims to lead by example in climate-change mitigation and adaptation. We will establish a framework to quantify the impact of our activities – in terms of contributions to climate change mitigation and adaptation. This can be done at 3 levels: Climate-KIC’s own operations (level 1); Climate-KIC supported activities in education, innovation and entrepreneurship (level 2); and the operations and activities of Climate-KIC’s partners (level 2). Level 1 focusses on climate change mitigation and takes the classic approach of establishing a ‘greenhouse gas (GHG) footprint’ followed by a carbon reduction policy coupled to offset projects to reach carbon neutrality. This was trialled in 2013 for the travel of Executive Team and Governing Board members, and in 2014 will be extended to a much broader range of Climate-KIC personnel. We also plan to launch level 2 measurements in 2014, using a ‘Climate impact assessment framework’ developed during Q3 of 2013, to identify carbon credit and debit arising from Climate-KIC supported activities. See further details under activity 6.2.6.

Our business model

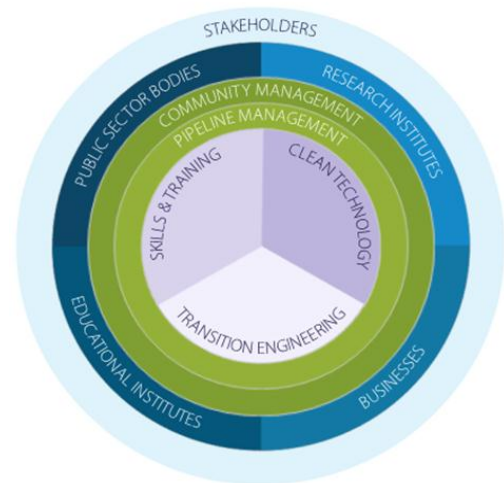
The Climate-KIC business ‘meta’ model is our smart innovation community, which we have

progressively designed and built during the 2010-2013 period. Partners from business, academia (education and research institutes) and public bodies come together within Climate-KIC's synergistic network (see figure xx). Interaction and brokerage between these partners and with external stakeholders is managed and facilitated by the Climate-KIC (in green in the figure). This is enhanced by partner relationship management which was trialled in 2013 and will be fully launched across all CLCs/RIC in 2014. Partners have access to the full toolkit of the integrated Innovation, Entrepreneurship and Education pillars, providing support and opportunities and enabling them to contribute to the innovation pipeline. Climate-KIC is also responsible for managing this innovation pipeline. Thus, individual business propositions arise and develop within this overarching innovation community and enter the innovation pipeline. Each of these will have its own specific business model.

The following section illustrates the integrated activities within the Climate-KIC community in more detail.

2. Integration of Climate-KIC knowledge triangle actors

Climate-KIC operates an innovation pipeline whose output is the people, products and services required to address climate change mitigation and adaptation. As explained above, it is the integration of all the players and the pillar activities that creates Climate-KIC's unique business meta model.



We continue to build trust within our community, since mutual trust between partners is essential for successful open innovation. We bring partners together at strategic events and at the activity level, and in Q4 2013 we will launch our electronic 'Community Hub' to enhance communication and knowledge sharing. We empower our community by actively involving them in shaping Climate-KIC at the European and regional/national level.

We integrate the knowledge triangle players (for Climate-KIC we bring together the knowledge triangle players together with a fourth sector – public bodies) and activities in three main ways:

- Designing and delivering integrated activities between education, entrepreneurship and innovation – focussed within the 8 thematic challenge platforms.
- Promoting and supporting cross-sectorial activity within and between CLCs and RIC, and within innovation, education and entrepreneurship activities
- Linking demand-side players with supply-side innovators to deploy innovation products, services and policy, and learn the lessons of implementation in practice.

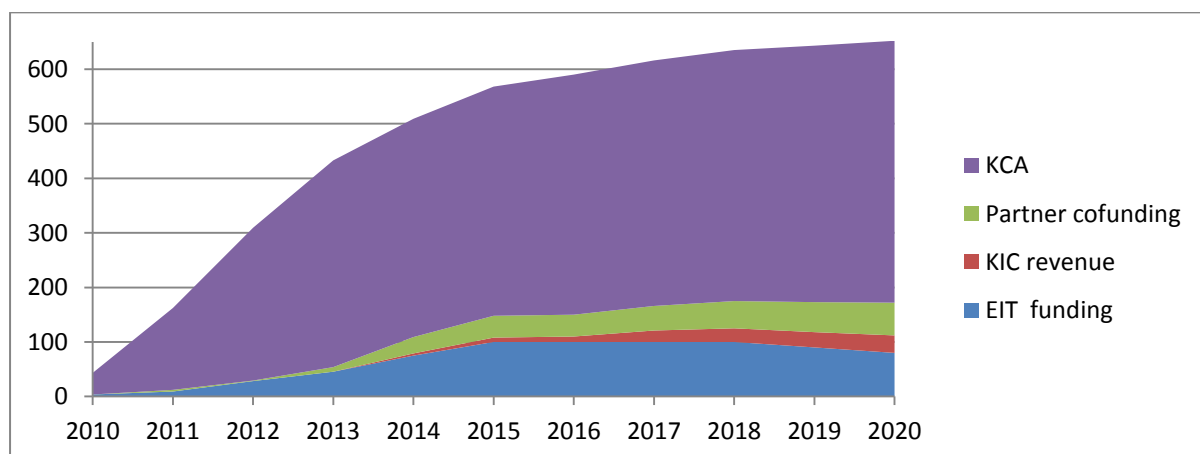
In 2014 we will continue to build and sustain our vibrant community – enhancing the role and capacity of the lively and purposeful ecosystems created by our CLC and RIC. We will further integrate and the activities of all the actors, driven by the climate challenges we address via our challenge platforms, each supported by one of the CLCs or the RIC. Thus, by focusing our interests and defining innovation targets, these thematic platforms are a powerful means to integrate education, entrepreneurship and innovation – located within the ecosystem of the CLC/RIC.

3. Progress toward KIC sustainability

In May 2013, we appointed a Chief Commercial Officer with a clear agenda to focus on the longer term sustainability of the Climate-KIC. This role builds on the work of the Revenue

Task Force, established in 2012. We are currently reviewing our business processes to will ensure that Climate-KIC maintains a professional tight spending discipline in both our project investments and management expenses, to provide high value proposition for all of our funders and stakeholders. We have four broad sources of potential funding:

- Our core existing EIT support which we aim to reinforce by demonstrating our growing climate impact. We see EIT funding reaching a plateau at 100 million in 2015, with progressive decline from 2018 onwards. The rate of decline in reliance on EIT funding after 2020 is harder to predict since significant revenue sources are operational only on a long timescale. It seems likely that some activities – for example education – may never be financially self-sustaining.
- We will also develop additional public funding streams. Our International and European Steering Groups, together with the RIC are responsible for identifying and managing opportunities at international, European and regional level (for example: Horizon 2020, non-EIT aspects; EU Structural Funds, managed by regional governments; and Revolving Funds such as JEREMIE and JESSICA, managed jointly by the EIB / regional governments). Each CLC Director is charged with optimising national funding. In addition to raising direct funding for KIC Added Value Activities (KAVA), these sources also provide funding for work that complements that of the KAVA – KIC Complementary Activities.
- We are reappraising our corporate partnerships, and will continue to do this in 2014, with the aim of strengthening existing relationships, and adding new significant partners. We want to expand the level of co-funding of our KAVA activities.
- We will further build on our strategy for independent revenue generation, focussing on those activities that are synergistic with the unique strategic aims and characteristics of Climate-KIC. Our broad goal is by 2020, with a steady increase thereafter, although it is not possible to make precise projections at this stage.



3.1 Reinforcing complementary funding (KCA)

KCAs are managed at CLC/RIC level as a part of their ecosystem. KCAs are associated with Education, Innovation and Entrepreneurship pillars and comprise either those that directly support current Climate-KIC KAVA or those that provide the foundation for strategic development. Climate-KIC predicts in excess of €300 million in KCA for 2014. This is a conservative estimate since additional KCA will arise in-year. An increasing number of these have arisen as a result of previous KAVA work¹, thus we are starting to see the development

¹ For example: 1) A2C2 (Atmospheric flow analogues and Climate Change) was submitted in November 2012 to the European Research Council (ERC, Senior Grant). One of its components is the study of "never observed before" events; 2) CLIMIX ("Climat et mix énergétiques, vers un simulateur intégré") about climate and energy mix (including wind power) is a CEA-DSM project; 3) SEEN ("Scénarios Extrêmes pour l'Energie Nucléaire") about climate extreme scenarios for the nuclear energy safety was submitted to the French National Agency for Research (ANR)

of a 'virtuous cycle' between KAVA and KCA.

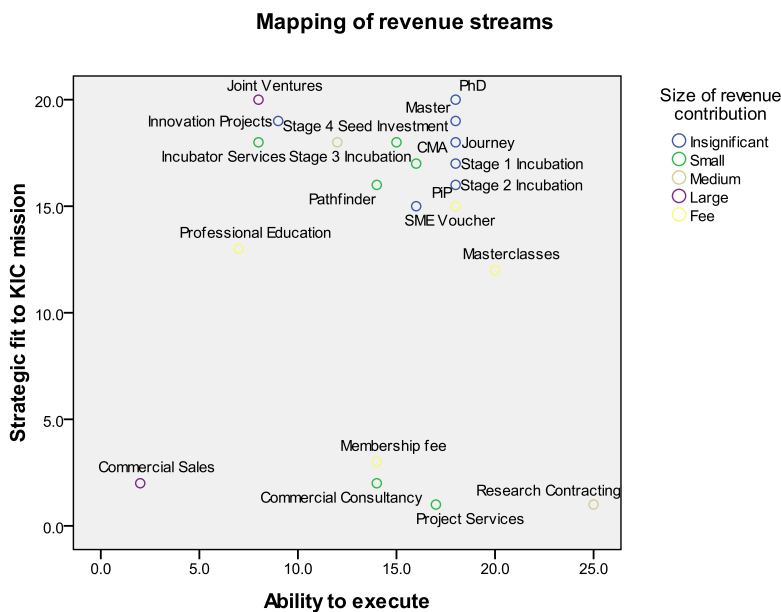
3.2 Partner co-funding

During the early years of Climate-KIC's existence, partners have demonstrated their high commitment and support via a range of 'in-kind' activities, together with co-funding contributions to KAVAs. We now aim to build on this foundation to grow existing levels of co-funding from partners, especially corporates, together with adding new significant partners, both corporates and selected universities. Our target for 2014 is €7 million, with 20% co-funding the norm expected from all innovation projects. However, we are concerned that the proposed reduction in indirect costs from the current 40% to only 25% under Horizon 2020 will have a negative impact on co-funding levels, as partners find their full economic costs are no longer covered.

3.3 Independent KIC revenue generation

Entrepreneurship and creativity are the lifeblood of Climate-KIC, and as such, commercial activities that align are very much strategically enhancing for us. However, we are not aiming to replicate more mainstream and generic areas of finance such as venture capital since we believe that the KIC has a more unique value proposition. This is especially in relation to our strong relationships in Europe, and our IP rich network of university partners.

We have reviewed a wide range of current and future activities for their revenue-generating potential and ranked them according to: strategic fit to Climate-KIC mission, size of revenue contribution and ability to execute (figure xx).



We have identified two major sources for potential medium-term revenue in the KIC:

Increasing contributions from corporate partners, both existing and new ones. As our value proposition is becoming more developed, we believe 2014 will be a prime year for us to extend our relationships and support from existing partners, and add significantly contributing new corporate partners. We will

be focusing on both more mainstream international corporates, and also SMEs (encompassing the Mittelstand) across Europe.

Equity. The Climate-KIC has been building a broad portfolio of early stage start-up companies during 2011-2013. We consider that many of these are now becoming ready to move forward with their business plans, and become larger and more valuable entities. We therefore plan, subject to review, to modify our legal framework to allow more facile taking of equity stakes in these companies as we continue to support them in their growth. This should allow us to have our interests aligned with these companies, and benefit economically from potential future changes of control.

We are also exploring several of the other, smaller but more immediate, sources of revenue such as the development of Climate-KIC executive education courses and modules, which

could be operated collaboratively with our Climate-KIC business schools, developed to ensure that Climate-KIC is not competing with its own partners. This would provide a relatively modest revenue opportunity in terms of the overall Climate-KIC budget, but could be an important component in our outreach.

In addition, we are open-minded about potentially offering consulting type services to counterparts globally. However, in relation to our University and corporate partners expecting to receive a tangible portion of the economics from any such arrangements (and as would be in keeping with the collaborative aspects of the KIC), we believe the revenue opportunity therein is modest.

In terms of the commercialisation of IP, we are not targeting this as an explicit area of revenue generation for the KIC. This decision is based on the broad network structure of the KIC, and us not wishing to alienate our University partners. We consider that indirect value capture from IP will be better achieved via our entrepreneurship and innovation programmes with the creation of companies. We do not wish to have the unattractive pricing of IP create a barrier to the formation of these companies.

From 2014 onwards, we will also explore the possibility of a revenue contribution from major philanthropic individuals and organisations. We are also looking to access much larger groups of supporters and funders via emerging technologies and models such as crowdsourcing. We believe that the climate area could be particularly suited to these approaches.

4. Implementation of Intellectual Property Rights policy within Climate-KIC

Our intellectual property policy has been progressively developed and refined since incorporation. The overall principles of our IP Policy are open innovation, teaching and research; standard terms and conditions; and reinvestments and sustainability of Climate-KIC.

The IP Board meets regularly to discuss intellectual property matters. It developed an IP Policy and ensures that the IP provisions of the PGA and Consortium Agreement are consistent with this.

In 2014 we will continue developing a central Climate-KIC intellectual property register. This is a 'shop window' of Climate-KIC IP and enables us to monitor IP being created through KAVAs. Naturally, the IP register takes time to grow and develop critical mass. In order to stimulate open innovation, partners will be able to view the IP register and approach IP holders to access such IP by negotiation. Public benefit will accrue in the short term through patented IP entering the public domain after 18 months and open source software code approaches being encouraged.

We also continue to look at intellectual property generated in Entrepreneurship and Education programmes. A consistent approach to IP will be rolled out across the CLCs and RIC in terms of the disbursement of Proof of Concept and Incubation grants, as well as SME Vouchers and Greenhouse projects. This approach will not be a 'heavy handed' one (as it is important to realise that IP is often the lifeblood of any new start-up company), but one of clarification, simplification and harmonization of approaches across Climate-KIC to ensure consistency with the IP policy.

5. Implementation of Climate-KIC's communication plan and dissemination activities

Knowledge management and influence. Climate-KIC is now well established and has gained real traction with its innovation entrepreneurship and education activities. It must therefore share key knowledge and extend its influence in order to optimise the outcome of Climate-KIC's activities and successes, both within the community and beyond.

Communication strategy: Over the last year, we have taken a comprehensive review of our

position in the market, our business objectives and how we communicate. As a result, we have brought the Climate-KIC vision into sharp focus and have clarified and simplified our business strategy. Having gone through this review process, we can confidently articulate our vision and mission and have defined core values that demonstrate what we stand for. We are climate-challenge driven, dynamic, impact oriented, talent focused, creative, and boundary crossing.

A key component of our review was the development of a communications strategy. This is important not only for raising awareness of our brand, but also for the cohesion of the whole Climate-KIC community. This is our framework for reaching our target audiences and giving out a clear and consistent message.

Communications strategy. The communications landscape is changing; we are in a world of the digital native who has grown up with technology. The trends are towards using social channels and networks, because this is the primary way that today's students and young entrepreneurs communicate. Therefore Climate-KIC will embrace digital communications by starting, leading and joining conversations to create real engagement with our stakeholders. This is a form of inbound marketing, by building our brand and making it easy to be found in the digital worlds – just when our prospects are ready and looking for us.

Climate-KIC now has a communications strategy focusing on building brand awareness to generate business opportunities. This will interlink nicely with the EIT brand and communications strategy.

Co-ordination with co-location centres and regions: Overall, there will be a structured approach to communicating and engaging with stakeholders, including the media, potential partners, EU policy makers and the climate change industry as a whole. Additionally, Climate-KIC will develop specific communication campaigns to deliver against specific business objectives. All this activity will be supported by partner and internal communications across Climate-KIC, which again will focus on digital.

Events such as the Ideas Market Places (several hosted each year by different CLC) and annual Innovation Festival (hosted by RIC Regions in rotation) bring together partners from the across the RIC and CLCs.

Outreach: In addition to our communication policy, a second and highly potent means of dissemination is via people. In Climate-KIC we do this via four community groups: our students, our Pioneers-into-Practice, our alumni and our regions of the RIC.

Our students come from across the world and our Pioneers from across Europe. After completing their programmes within Climate-KIC, many continue their education or career with the KIC, others return to their home countries. We regard all these as global ambassadors of Climate-KIC, retaining their links with the KIC via the Climate-KIC Alumni Association. We are proud of our diaspora and will continue not only to support our alumni in their future careers, but also, importantly, to draw on their experience and innovative capacity in on-going innovation activities. Our focus in 2014 will be to further develop interactions between the KIC and its Alumni Association affiliate partner.

Our regions provide a unique way in which Climate-KIC disseminates its knowledge and innovation. Their geographical spread across Europe, together with their firm link with public bodies enables Climate-KIC to understand and respond to the challenges and innovation demands of society, thus firmly embedding the KIC's climate innovation in a much wider range of member states than would be possible with CLCs alone. In 2013 Climate-KIC was awarded additional funding by EIT for outreach activities in Eastern Europe, using its regions in Poland and Hungary as the focal points for pilot education and entrepreneurship programmes (for example the Journey, study visits, incubator network and support). In 2014, the outcomes of these programmes will be analysed and the lessons learnt incorporated into the development and delivery of further pilots and substantive programmes. All pilots contain an element of 'training-the-trainers', thus supporting capacity building and long-term

sustainability.

6. Long-term progress and KPIs

Our scoreboard was developed in 2012 to reflect the strategy, derived from the vision and strategic objectives of Climate-KIC. This shows that Climate-KIC progresses in line with the original proposal. Based on the feedback from both internal and external experts and EIT, and the experience of data collection, reporting we currently review the scoreboard. The purpose of the revision is to streamline the scoreboard and reduce the number of KPIs. In parallel with the planning of the business plan the targets for the individual KPIs will be developed as well.

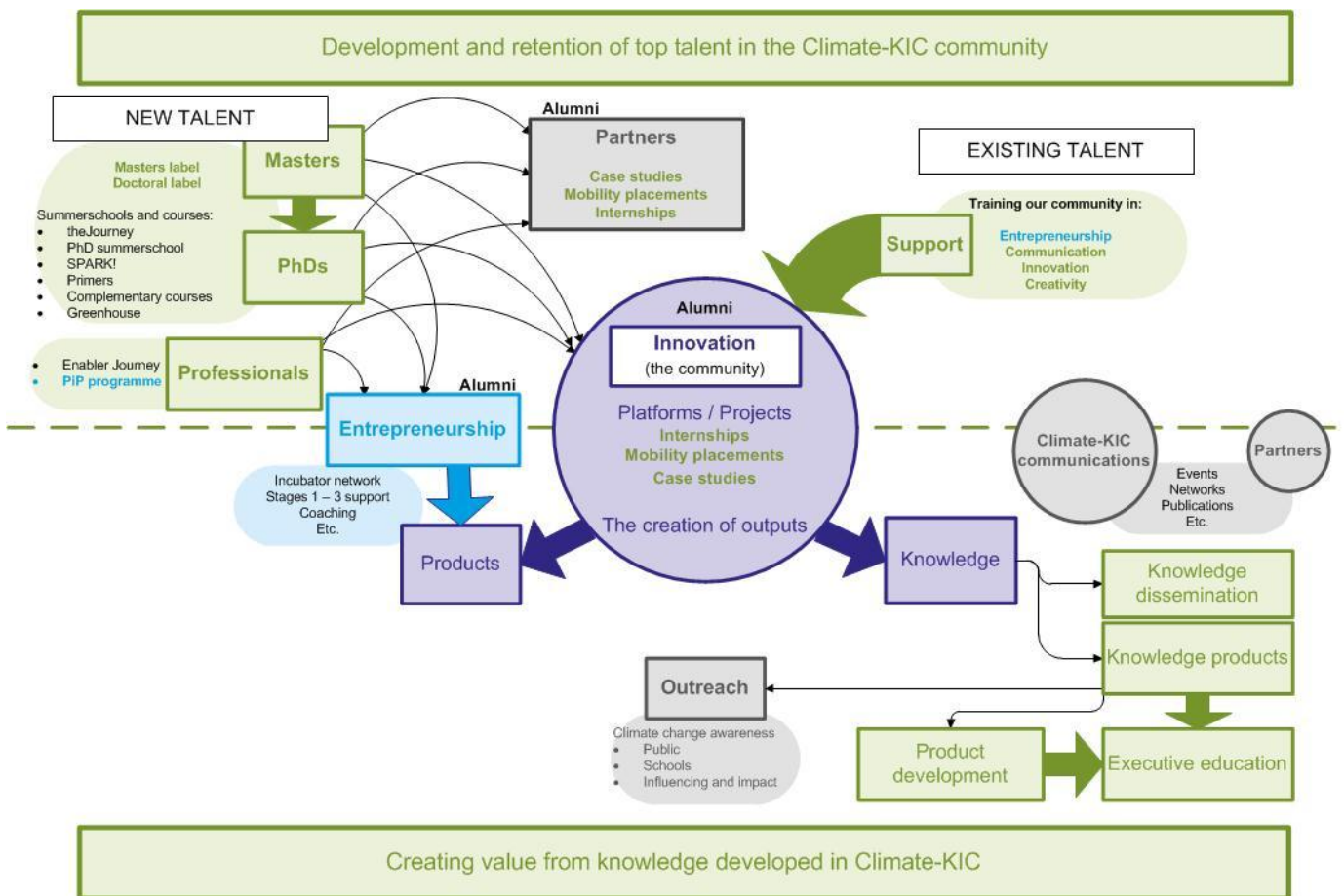


C. Climate-KIC business plan of activities for 2014

Climate-KIC’s vision is to create opportunities for innovators to address climate change and shape the world’s next economy. Addressing the related societal challenges requires drastic transitions in the way we produce and live, which in return require citizens and companies to become agents of change. They cannot be addressed only by technology-push innovations but need also pull measures that require the involvement of policy and law makers, economists and finance experts.

Creating innovative products or services is therefore only half our task. To be effective, we wish to trigger and implement transitions and this is the reason of the involvement in our KIC of cities, regions and policy makers.

Climate-KIC is built on a base of excellence, keeping in mind that the KIC concept itself is an experiment and it is important to be able to draw lessons from the way we progress. Analysing the effectiveness of Climate-KIC’s innovation model(s) will clarify the strategic value of this vis-a-vis the EIT as well as the activity fields need (continuous) research into their effectiveness. Our activities improve on the basis of this continuous analysis, perfecting the details of processes and expectations. Nevertheless, the core of Climate-KIC activities is strongly interrelated in a stable manner throughout the years, creating value from knowledge.



1. Climate-KIC ecosystem

- Highlights
- Community management
 - Pipeline management
 - Accountability

The Co-location centres (CLCs) and Regional Innovation and implementation communities (RIC) are the delivery vehicles of Climate-KIC activities. To manage the growth in activity levels across the Climate-KIC we have started the process of further decentralising management of community and pipeline management. This will be completed in 2014 as a necessary step to handling budget growth.

CLCs and the RIC regions manage the Climate-KIC activities of their community and engage with their local stakeholders. The community of partners and stakeholders is the local ecosystem. Each CLC and region represents the strategic imperatives of its ecosystem, coordinates and supports their partners' Climate-KIC activities. CLCs/RIC are in addition managing the delivery of the strategy of the challenge platform(s).

The core functions of the CLCs/RIC

CLCs and regions are responsible for two essential management activities:

- **Community management:** The CLCs' and regions' knowledge of their partners' interests, capabilities and capacities enables them to create and manage new collaborative opportunities for climate innovation within Climate-KIC's platforms.
- **Pipeline management:** The CLCs/RIC manage pipeline processes on behalf of their platform(s) and partners. In so doing they enable their community's expertise and resources to be used to generate, incubate and accelerate climate innovation and to educate their innovators and entrepreneurs.

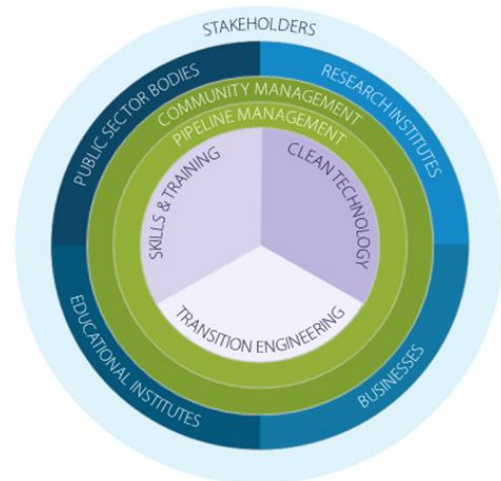


Figure 1: The community-pipeline consists of the ecosystem (blue) and the pipeline (mauve).

CLCs and regions also provide **administrative services** on behalf of their partners and Climate-KIC's central management and governance functions. Core functions and services are delivered through four channels – one for management and administration (shown in green) and three that originate with the pillars. Each CLC and the RIC is led by a Director who sits on the Executive. Integration of activities between Climate-KIC locations and pillars is managed by the CLCs and RIC and manifested in platform activities.

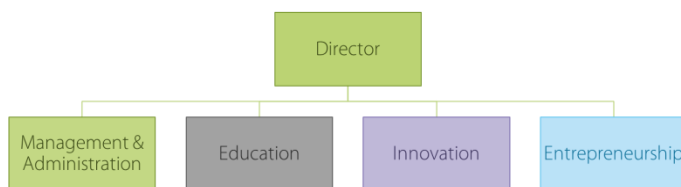


Figure 2: Organisation of services for community and pipeline management and administrative services at CLCs and RIC.

More detailed description of the roles and responsibilities of the CLCs/RIC is presented in Annex C1.

1.1 Climate-KIC Switzerland

The vision of the Swiss CLC is to become the vibrant and visible centre for climate

innovation in Switzerland and the entry point for accessing a European community of change makers.

The goal is to further enhance the community around the Swiss CLC of partner, start-ups, students and supporters who are taking action against climate change and identify with Climate-KICs vision. The enhancement should take place through the inclusion of further partners but also through empowerment actions in the community. We strongly foster a bottom-up community based approach to tackle climate change.

In regards to a partner strategy the Swiss CLC aims to further enhance its partner base to ensure the support of the platforms, especially the one it is hosting. The CLC CH aims to enhance its reach in 2014 also to the French speaking part of Switzerland, specifically in regards to its entrepreneurship programme. It is interested to actively manage relationships with global NGOs based in Switzerland like World Economic Forum and World Business Council for Sustainable Development.

1.1.1 CLC CH

Next to the continuation of its current activities the CLC CH will focus in 2014 on its role as *facilitator of the Transforming the Built Environment platform and the ramp up of the Building Technology Accelerator*.

For financial and management processes it is key to further reduce the complexity and provide support services to partners. We will continue to provide legal support for consortia agreements for the affiliate partners.

The Swiss CLC will continue its community oriented communication strategy and active partner management which involves regular events, holding lectures, workshops and being present at key fairs and conferences. For the third year Switzerland will be issuing its regular newsletter.

To fully deliver on all its activities the CLC CH requires a minimum of 3.3 FTE.

Key deliverables:		
•		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT funding: XX €

1.2 Climate-KIC Germany

Climate-KIC Germany is gaining increasing prominence in the area of climate entrepreneurship and innovation, and will co-host or co-organise several high-level events for entrepreneurs, investors and the business community. We will continue the Metropolitan Utilities Dialogue, which brings together Berlin utilities in the transportation, energy, waste and water sectors to address shared innovation challenges related to low-carbon cities. The German CLC is involved annually in hosting the Journey, and runs the Green Garage, Germany's first incubator devoted to climate-related start-ups. German Climate-KIC partners continue to be engaged in developing innovative climate products. Current examples include textile-fibre prototypes from reused CO₂ and an app with sensors to help customers lower their heating costs. PhD and Master students gain valuable experiences and business contacts whilst working in German led Innovation projects as staff or interns.

1.2.1 CLC DE

Climate-KIC's German co-location centre is Berlin's premiere location for climate innovation, climate-oriented education activities and entrepreneurship support. We work as a business centre that cooperates closely with distinguished representatives of industry and science.

Location: the German CLC is located centrally in Berlin within the innovative low-carbon EUREF (European Energy Forum) campus, which hosts a variety of clean-energy related companies and organisations, and forms the largest climate-innovation campus in the nation's capital. Since Climate-KIC located here in 2010, the campus has seen rapid and dynamic growth as a home of leading-edge businesses, research organisations and start-ups.

Activities: The CLC offers education, business-centre and dialogue activities within its 380 m2 main office as well as start-up incubation in the Green Garage, which offers 280 m2 of space for six climate start-ups within a dynamic renovated garage. Partners from the German CLC co-chair three of the platforms: Sustainable City Systems, Industrial Symbiosis and Land and Water Adaptation. It is also the facilitating CLC for both the Sustainable City Systems and Industrial Symbiosis platforms. The CLC is fully staffed and will welcome a new CLC Director in 2014 to lead us into the next phase of development.

Partnership: The German CLC organises and supports the activities of the 21 German Climate-KIC partners, and also facilitates their involvement in broader climate-innovation efforts such as energy-plus housing (with large building owners) and collaborations on greening public services (with the city of Berlin)

Key deliverables:		
•		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT funding: XX €

1.3 Climate-KIC France

In May 2013, the French Ministry for Higher Education and Research presented its strategic agenda document. "France Europe 2020" puts a very strong emphasis on technological research, and on innovative technologies and technology transfer, in connection with the EIT and KETs. Nine priority societal challenges have been identified. The objectives of Climate-KIC are clearly addressing the first of these (Lean resource management and adaptation to climate change), and involve key aspects of virtually each of the other eight challenges which should help to further improve synergies between the national and European policies.

Developing and integrating activities in Education and Innovation for climate decision at the regional level is a top priority for the French CLC. Joint activities with French public bodies at the national, regional and city levels shall increase from shared workshops and seminars to tool implementation. For structural reasons, the level of French engagement in the Entrepreneurship pillar has remained low until 2012. Beyond enlarging the portfolio of start-ups, the priority is to address the main bottlenecks on IP, business development, technology maturation and market adequacy, and to develop counselling, training, connecting networks, leveraging funds and engaging the local expert network. The Entrepreneurship lead shall interact closely with the other two pillars, bringing a business perspective at the earliest

stage in innovation project development and contributing to the educational offer on innovative technologies and entrepreneurship.

The relatively large CLC partnership has become a genuine community for innovation. Although the French CLC recently passed the 30 partner mark; it will connect to the 'Competitiveness Clusters' and cluster institutes, involving more SMEs, and with potential new partners, to enhance complementarity with European partners, strengthen the national partnership by focussing on sectors with significant climate impact and reach out more to regions beyond the Paris area..

1.3.1 CLC FR

The French CLC team has been reinforced to provide optimal operational workforce and organisational efficiency and stability to the implementation of Climate-KIC activities, including the facilitator for the GHG-MRV platform. Now a fully-fledged team, with increased capacity and competence spectrum, it can better integrate partnership management and cross-fertilisation across the three pillars. Meetings with the five core partners are organised at least every two months, all-partner meetings several times per year. The French CLC also actively hosts integrative European events, and shall secure reinforced specific expertise on communication in 2014.

Key deliverables:		
•		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

1.4 Climate-KIC Netherlands

The National policy on innovation in the Netherlands is based on the same principles as the EIT and the KICs. Climate-KIC provides an excellent opportunity to join forces on climate innovation in Europe. The Dutch partners of Climate-KIC are keen to build sustainable relationships within our innovation pyramid concept based on principles of open innovation. Key activities to achieve sustainable relationships are via the development and execution of high quality, high impact Innovation projects across Europe.

Our goal for the upcoming years in the Netherlands is the further development of an innovative culture based on skilled Intrapreneurs and Entrepreneurs. The Dutch consortium is keen to develop and participate in Climate-KIC activities which enhance this culture of Entrepreneurship. An ambition on the upcoming years is to build on a vibrant investor community around Climate-KIC innovations and start-ups

The Dutch CLC created a network of three high performing Incubators in Delft, Utrecht and Wageningen. These Incubators provide Climate-KIC start-ups with a wide range of support. Climate-KIC the Netherlands is successful with the Climate-KIC Acceleration program because of the good synergy with this well performing Incubator infrastructure. The Climate-KIC Greenhouse program for Students will be implemented in close cooperation with these three incubators.

1.4.1 CLC NL

The Dutch CLC provides staffing of pillars, finance and communications according the organisational model of Climate-KIC. Furthermore the Dutch CLC provides and pre-finances staff and subcontracting for central activities on Entrepreneurship, Education and Finance. The Dutch staff of Climate-KIC in the Netherlands is working closely with the Dutch partners in the international Climate-KIC community. Many Climate-KIC activities are organised at the offices and venues of Climate-KIC partners. Central base for the Dutch staff is the new CLC

office in Utrecht.

The director of the Dutch CLC organises a bi-monthly meeting of Dutch Steering Committee where strategy, implementation and execution of Climate-KIC activities are prepared and debated by the formal representatives of the Dutch Climate-KIC Core partners. The Dutch staff is active in coaching and integration of Climate-KIC Innovation projects where Dutch partner provides the project lead. The Dutch CLC facilitates the activities of the Land & Water Engineering Platform. A dedicated communication manager provides the communication to NL CLC Partner community.

This new office of Climate-KIC in the Netherlands will migrate from an open execution office for Climate-KIC staff towards a vibrant meeting hub for Climate innovators. An increasing number of Climate-KIC workshops, progress meetings of Climate-KIC projects, local Ideas Market places, Training & Master classes, Activities on the Climate-KIC Acceleration program, Activities on Greenhouse for students, pillar team meetings, Meetings of the Dutch Steering Committee etcetera will take place in this open office space.

The Dutch Co location will make a next step in active community management and an implement and execute the pilot on the Pioneers into Practice Program, activities at the Dutch Climate-KIC partners, development of a mobility program in the Dutch consortium, SME events on Climate-KIC activities, co-sponsoring on ideation events, investor events and business competitions.

For staff of international Climate-KIC partners, students, and start-ups the Dutch office as well as the core of the Dutch partners provides hot desk facilities and access to the Dutch Climate-KIC Partner network for colleagues off all international Climate-KIC Partners, students, Start-ups and SMEs.

Key deliverables:		
•		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

1.5 Climate-KIC UK

The UK portfolio consists of three educational institutes, 16 businesses, 5 public sector bodies and two research institutes. Their interests range across all platforms, but with a focus on Sustainable City Systems, Transforming the Built Environment, Industrial Symbiosis and the Bioeconomy and innovation at the intersections between these. The UK will continue to recruit key partners in response to platform strategy.

The UK continues to develop the concept of sheltered innovation (see BP2013), bringing together demand side players from business and government with supply side innovators and supporting them through technical and business resources and know-how. This has been extended to link with continental partners. Sheltered innovation has now been successfully applied at all points along our pipeline - from early stage development to manufacture and installation of technology to the first customer.

In 2014 we will enhance community and pipeline management by: improving partner information management to widen innovation and recruitment opportunities; taking responsibility for portfolio management of the Adaptation Services and Bioeconomy platforms; enhancing business support for ventures in the pipeline through the use of

experienced entrepreneurs and raising the profile of climate change innovation in the UK.

The CLC has office space with 20 desks, incubation space and office services for start-ups and student entrepreneurs, and a lecture theatre (130 seat) and a meeting room (10 seats) linked by AV to the other CLCs. The CLC will continue to make extensive use of further meeting facilities in the Grantham Institute and Energy Futures Lab. The CLC will need to move in the medium term to enable enhancements to the services it provide and overcome space restrictions. A move to the Imperial West campus in 2016 is being planned.

1.5.1 CLC UK

Staffing will remain at 4.9 FTE. On behalf of UK partners and the platforms it manages, CLC staff provide: financial and legal support and coordination; coordination and management of partner and pipeline information; coordination and leadership of planning and reporting activity; targeted communication and marketing of Climate-KIC activities; organisation of UK governance and advisory group and coordination and management of UK events. Reporting and planning activities for the UK partners and managed platforms are provided to the KIC-LE.

For 2014 we are in discussions to receive co-funding from Imperial College, for a CLC internship programme and to run a number of innovation pilots and competitions. In addition we will be joined for two years by an experienced innovation policy expert fully paid for by the state of Baden-Württemberg.

Key deliverables:		
•		
KPI:		
Budget request:		
Total: 1,602,000 €	KAVA: 1,602,000 €	Of which EIT 788,000 €

1.6 Regional Innovation and Implementation Communities (RIC)

RIC's particular focus within Climate-KIC is to play a leading role in the transformation of European regional innovation policy and practice on climate change. This involves the development of a distinctive and integrated programme of innovation activities, drawing on the wider knowledge and expertise from across the regions and wider Climate-KIC community. Climate-KIC is the only KIC which has regions and cities embedded within its organisation which gives it a special, added-value dimension.

RIC will develop core Regional Innovation Centres in each region in 2014. These centres will provide a clear physical presence and profile for Climate-KIC and will increasingly become the focus of low-carbon activities, expertise and advice in each region.

A particular focus for RIC in 2014 will be to coordinate Climate-KIC activities with regional Structural and Cohesion Fund programmes. A number of regions have identified Climate-KIC as a strategic body to collaborate with through their Smart Specialisation Strategies. These programmes are expected to be a significant financial leverage for Climate-KIC although it is not possible to be precise about the precise projects at this stage.



1.6.1 RIC coordination

The six regions of the RIC work together closely to implement Climate-KIC activities; they bring together more than 80 partners. The RIC Director coordinates the work of the six regions; colleagues from individual regions take on the role of coordinator for specific activities. The RIC Steering Group is its main decision-making body. The chair of the Steering Group sits on the Climate-KIC Governing Board. The RIC Director is a member of the Climate-KIC Executive Team.

The central RIC office is in Brussels. It houses the central RIC staff as well as other Climate-KIC staff. It is also a key location for Climate-KIC meetings and events, including the monthly Executive Team meetings.

1.6.2 RIC Valencia

RIC Valencian Region is jointly coordinated by the Valencian Institute for Entrepreneurial Competitiveness (IVACE) and Fundación Comunidad Valenciana Región Europea (FCVRE). Both bodies belong to the Valencian Regional Government. The regional partnership consists of more than 20 Climate-KIC partners from business, public agencies and academia. The region currently has responsibility for chairing the RIC Steering Group and also represents RIC on the Climate-KIC Governing Board.

1.6.3 RIC Central Hungary

RIC Central Hungary is coordinated by Negos Plc with the full support of the Municipality of Budapest. The regional partnership includes a balanced set of actors across the innovation pyramid, including universities, public bodies, governmental organisations and enterprises. Budapest University of Technology and Economics with a growing role in education activities, the Hungarian Investment and Trade Agency and SEED Foundation responsible for outreach activities and MyCorporation Incubation Services leading the entrepreneurial support activities.

1.6.4 RIC Emilia Romagna

RIC Emilia-Romagna is coordinated by ASTER, the regional innovation agency whose shareholders are the Regional Government, the 6 universities located in the region, two main public national research centres with large facilities in Bologna and all business associations representing the regional business communities. ASTER coordinates the regional Climate-KIC affiliated partners group, managing continuous relations and regular meetings in order to improve the participation to RIC and KIC activities.

1.6.4 RIC Lower Silesia

RIC Lower Silesia is coordinated by the Climate and Energy Department of Wrocław Research Centre EIT+ Ltd. -. Wrocław Research Centre EIT+, established in 2007, is a unique undertaking in Poland, dedicated to fostering innovation based on the co-operation of academia, local government and innovative businesses. The company's shareholders are the largest universities in Wrocław as well as the city authorities of Wrocław. The regional partnership consists of universities, public agencies and companies.

1.6.4 RIC Hessen

RIC Hessen is coordinated by TU Darmstadt Energy Center (TUD EC), a central interdisciplinary research institution at Technische Universität Darmstadt, in close collaboration with the Government of the State of Hesse. The regional partnership consists of universities, public agencies and companies.

1.6.4 RIC West Midlands

RIC West Midlands is coordinated by Innovation Birmingham Limited, the wholly-owned subsidiary company of Birmingham City Council (Climate-KIC core partner), which acts as its innovation agency and runs the science park at the Innovation Campus.

The regional partnership is brought together as Midlands Climate Change Innovations (MCCI) and this body oversees all Climate KIC activity in the Midlands region. Birmingham City Council has led the Pathfinder project on Pioneer Cities and is the proposed lead for the

flagship Transition Cities project which is now being developed. Other key roles are played by International Synergies Ltd which co-chairs the Industrial Symbiosis platform; Birmingham University on regional innovation activities; Warwick University holds the education remit and chairs the MCCI group; Innovation Birmingham organises the regional entrepreneurship activities.

Key deliverables:		
coordination and integration of Climate-KIC activities in each region; host the main Climate-KIC activities - events, workshops, seminars and initiatives; provide expert support, coaching and mentoring to participants in Climate-KIC activities; provide dedicated advice and support to regional decision-makers and organisations on particular issues (these could involve market assessments; technology feasibility assessments; advice etc.); develop a clear regional policy dimension by drawing on Climate-KIC practice to develop reports on lessons learned, effective practice, case studies etc.		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

1.7 Climate-KIC Denmark

The proposed new Nordic CLC will have its main hub in Denmark with 3-4 geographically focused sub nodes throughout Scandinavia to be established over the coming few years.

Effective from 1 January 2014 and located at main campus of the Technical University of Denmark 15 km North of Copenhagen, the Nordic CLC will be hosted and supported by DTU in cooperation with three other new core partners.

Altogether, nine leading corporate, academic and public entities in Denmark have committed to join Climate-KIC and to build up the new CLC, alongside with our existing Swedish affiliate partner Chalmers University of Technology in South-Western Sweden. The new partners will be admitted during autumn 2013 and will require intensive support during 2014 in order to integrate effectively the new CLC into Climate-KIC.

The governance structure and financial model of the Nordic CLC will be subject to continuous development allowing for strategic recruitment of new partners, sub -node expansion and innovation eco-system creation across the entire Nordic region. Details of the Nordic CLC and its founding partners can be found in Annex C.1.7.

1.7.1 CLC DK

A CLC director and other key staff are being recruited from autumn 2013 to allow for effective integration of partners and activities in good time before the BP2015 process starts. For budgetary reasons, however, the CLC will not be fully staffed until early 2015. Additional budgets for pillar and platform driven activities at the new CLC are catered for in the relevant sections of this business plan.

Key deliverables:		
<ul style="list-style-type: none"> Establishment of operational CLC as from January 2014; fully functional and staffed according to KAVA/budget by end 2014, with a main hub and one sub-node Full tie-in in 2014 to all KIC pillar activities, including all eight challenge platforms Active build-up, management and support of new partner portfolio Initial creation of innovation eco-system network and branding across the region 		
KPI:		
Budget request:		

Total: XX €	KAVA: XX €	Of which EIT €
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2. Education

Education highlights

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Climate-KIC Education has delivered exceptional postgraduate education since 2010. In 2014 we will continue to do so while strengthening our integration in the knowledge triangle by delivering robust support mechanisms especially focusing on the innovation pillar. Underpinning all of this remains the challenge that:

Climate change innovation is more than any single discipline or sector can address and increasingly involves socio-technical innovation

Therefore we will:

4. **Develop** talent across the spectrum through our postgraduate programmes
5. **Deliver** personal development to strengthen and support our innovation community
6. **Disseminate** widely (and capitalise on) the knowledge that we generate

This is achieved by focusing our 2014 activities in two game changing areas:

1. Developing Talent
2. Capitalising on Knowledge

Section 2.1 covers the creation and support of top talent, and includes continuing students as well as new recruits, and short training courses. All activities are fully funded through Climate-KIC to generate a truly unique community of innovators. Section 2.2 is an initial investment in future revenue generation and self-sustainability for Climate-KIC through design of executive education offerings from knowledge created in the innovation pillar. Over the years, as more knowledge is developed, this will grow in scale and scope.

All activities embody the Climate-KIC Education pillar values, and focus on quality. Through our values we develop our unique brand, and are continually pioneering in European education to push the boundaries of traditional courses and programmes.

2.1. Developing Talent

Climate-KIC talent covers a broad range of people embodying the traits and characteristics of climate change innovators. These traits include: creative thinking, business awareness, leadership, self-awareness, and well networked. Traditional postgraduate education does not focus on developing these areas so we must create and drive new educational programmes to support the unique needs of innovators.

Climate-KIC Innovators also come in three categories: Entrepreneurs, Intrapreneurs, and enablers (Those who inspire, catalyse, inform and support the Entrepreneurs and Intrapreneurs in actionable innovation ideas). To support this we deliver programmes covering not only entrepreneurial education but also training and support focused to intrapreneurs and enablers. Participants in our programmes can be both innovators for the future (our students) and / or the existing community within partners and the innovation pillar (academics, corporates, government officials, managers, researchers etc.).

The programmes and courses that we deliver to achieve *2.1 Developing Talent* are detailed in 2.1.1-2.1.6 below.

2.1.1 PhDs

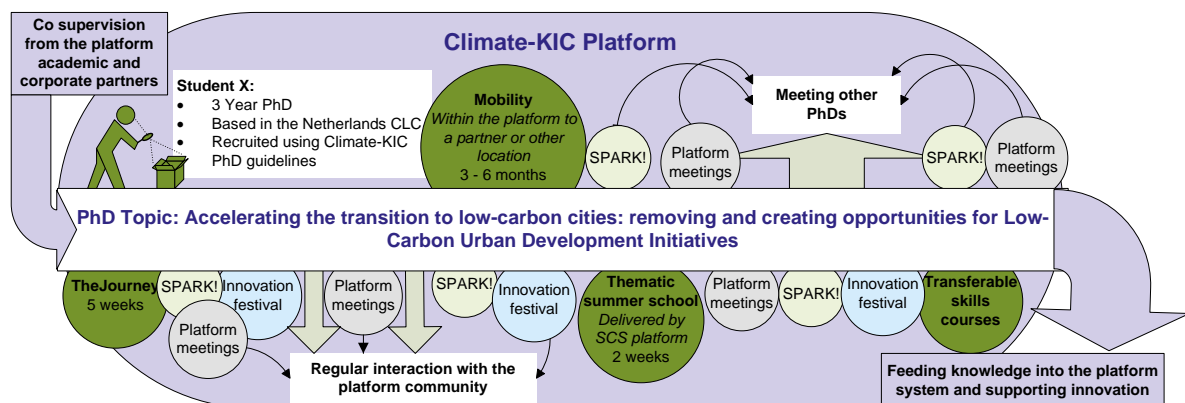
The Climate-KIC EIT doctoral programme has been developed to integrate all Climate-KIC PhD students into the Climate-KIC Network and engage them in Climate-KIC activities for mutual benefits. The students profit from supportive structures and added value courses in different tailor-made and varied learning formats, while the Knowledge Innovation Community profits of the students' profound knowledge within a specialised research area, and their learned innovation skill set.

PhD projects are selected to either have a clear path to climate innovation or deliver support for one or more of the Climate-KIC thematic platforms. In the educational programme they truly integrate into the platform (and thus the innovation community) while developing as Climate innovators and bringing value to their ecosystem. Mobility is offered through the Entrepreneurship pillar, platforms, co-locations, RICs and partners. Student X is illustrated below as an example of the Doctoral programme, and the full programme is described in the Climate-KIC EIT labelling documentation.

Climate-KIC EIT Labelled Doctoral Programme

PhDs embedded within the Climate-KIC ecosystem working on innovation within platforms. All Climate-KIC PhDs take the Doctoral programme.

The Climate-KIC EIT Labelled doctoral programme is in line with the EIT Quality Assurance and Learning Enhancement model and is developed based on the EIT Learning outcomes (**EIT QALE D1**): Creativity, Innovation, Entrepreneurship, Research, Intellectual transforming skills, Making value Judgements. It also provides (**EIT QALE D2**): Robust entrepreneurship education, Highly integrate learning by doing curricula, and mobility and European dimension and openness to the world.



In 2014 PhDs will be allocated to the CLCs and RICs under the direction of the Education leads. Calls for PhDs will be delivered within platforms aiming to recruit projects within the platform challenge areas. PhDs outside this remit also be considered by the education team as we believe innovation can occur outside the focus areas of the KIC and these ideas will be absorbed if they have a strong climate innovation focus.

2.1.2 Masters

The Climate-KIC Masters label draws on the excellence of our partners by integrating with existing Masters programmes within the remit of Climate-KIC. This tackles the issue that Climate change innovation is more than any single discipline or sector can address and creates future innovators across all disciplines and sectors. Participants leave the programme with the knowhow to become climate innovators through potential opportunities such as employment in our partners, further research in our innovation pillar, or spin out through our entrepreneurship pillar. The range of 60 labelled programmes complement and form part of the platform ecosystem where students are also offered opportunities including research and thesis projects and internships.

In 2014 the labelling of new programmes will not be the main objective, but instead a focus on the delivery of students through the current 60 labelled programmes. However to continue growth and complement our programme labelling will take place for new CLCs and within the RICs where exceptional programmes are highlighted.

Each of the 60 Climate-KIC EIT labelled Masters programmes has been developed in accordance with the EIT and Climate-KIC Masters labelling guidelines. Mobility is offered through the Entrepreneurship pillars climate internship marketplace, but also opportunities in platforms, co-locations, RICs and partners. The EIT Environmental Technology Masters at TU Berlin is detailed below as an example of the Climate-KIC masters label programme.

TU Berlin: EIT Labelled M.Sc. Environmental Technology

The Master of Science in Environmental Technology aims at providing skills and competencies to react to damages of the environment and pro-actively minimise potential negative human impacts on the environment.

Annual Env. Tec. Masters intake = 40 Students
 Climate-KIC selection (from this master) = 4,
 (from TU Berlin total = 35).
 Only Label students access the purple, blue, and grey elements below, and mix with the other environmental technology students for the green elements.

2 year Master programme
 120 ECTS total
 Degree is recognised and awarded by TU Berlin

Aligned teaching and content coverage (EIT QALE M1)	Climate-KIC students must fulfil coverage of the EIT learning outcomes and knowledge forms (the Masters provides quality learning outcomes in place and fit for purpose assessment). All Climate-KIC students on the programme undertake the following elements embedded in the Master: LOs: creativity, leadership, entrepreneurship value judgements, research, (climate relevance) intellectual transformation, innovation										
	Entrepreneurship basics 6 ECTS	Ideation seminar 3 ECTS	Venture campus 6 ECTS	Sustainable development strategies 6 ECTS	Basics of cycle and waste management 6 ECTS	Meteorology and climatology 6 ECTS	Land and policy management 6 ECTS	SPARK! 8 lectures	The Journey 6 ECTS	Mobility placement: 1 semester 30 ECTS	Master thesis 30 ECTS total, 6 ECTS on Climate Innovation

Learning environment and facilities Ecosystem (EIT QALE M2)	TU Berlin: Excellent performance of the University in national Entrepreneurship rankings (overall top 3 out of 82 Germany Universities, resulting in significant Government financial support and the official label "Gründeruniversität" (The Entrepreneurial University)). CLC Germany: Entrepreneurial environment with explicit climate relevant support structure especially the Greenhouse within the Green Garage which is an informal and flexible environment supporting Master as well as PhD students. Climate-KIC Platforms: Industrial Symbiosis, Sustainable City Systems, Land and Water Engineering. Partners: The partners (below) have a common interest in driving climate issues in the education system and its transfer into society. They are involved successfully in Climate-KIC Masters Education through: Physical proximity, joint action and development, and attractiveness of the CLC.						
	Bayer	PIK	Vattenfall	Berliner Stadtreinigung BSR	Berliner Verkehrsbetriebe BVG	GASAG Berliner Gaswerke Aktiengesellschaft	Solarvalley

Overview of the Climate-KIC EIT label programme using M.Sc. Environmental Technology at TU Berlin as an example

2.1.3 Summer schools

Climate-KIC's theJourney has been hugely successful and yielded excellent results in community formation and development of entrepreneurially minded students. Using this as a template Climate-KIC will now deliver three different types of summer school. Each summer school supports the labelled programmes (2.1.1 and 2.1.2) and encourages a wider audience through 'Associates' enabling Universities and companies (partner and non-partner) who are not in the labelled programme to send participants.

theJourney is delivered in line with the EIT labelling model and thus is learning outcome based, with fit for purpose assessment, and develops a strong learning environment for students.

It is a five week experience based at partner Climate-KIC centres in Europe, and brings participants together from across our education programmes (Masters, PhD, and young professionals). This provides opportunity to work with others in multidisciplinary backgrounds, develop ideas and teams (which can potentially be further developed at a later stage for the Greenhouse or innovative project) and build cross European networks that are supportive and functional.

- Through theJourney Learning outcomes students acquire:
- a common understanding of entrepreneurship and climate change issues
 - ability to communicate about climate change causes, consequences and solutions
 - ability to develop and deliver ideas, products and services in response to climate challenges
 - ability to work in international and multidisciplinary groups
 - understanding of how businesses react to climate change in their environment

Thematic summer schools: PhDs, in their first year develop a rich network through the Journey. Building on this in year two or three of their studies they need to focus on thematic specialisms and how to apply research within the innovation context, whilst continuing in a 'learning by doing' format.

Thematic summer school Learning outcomes:

- to equip participants with the knowledge of transformative, socio-technical innovation using a systems approach
- to enable PhD students to link their individual research projects to low carbon innovation activities (in specific thematic areas)
- to provide practice oriented tools that students could use to enrich their individual projects
- to exchange ideas between students and experts and to develop new project ideas for low carbon innovation

Designed within the EIT quality learning model, the thematic summer school is a two week summer school enabling integration of PhDs within their platform [thematic topic] and the chance to work on cross platform challenges within specialist teams with direct access to the experts. It brings together Climate-KIC PhDs and external PhDs. "Making Transitions Happen" delivered the first of these in 2013, and 2014 will see delivery from three different platforms.

theEnabler Journey caters for those who inspire, catalyse, inform and support Entrepreneurs and Intrapreneurs in actionable innovation ideas Climate-KIC develops a two week programme that teaches change enabling techniques and tools in location one, followed by practical application against real case studies provided in the second location. Masters and PhDs from the labelled programmes can choose this option in place of the Journey in the future, alongside external participants, and it should appeal to Pioneers into Practice who want other learning opportunities. 2014 will be the pilot year for this offering.

2.1.4 Supporting courses

Climate-KIC education delivers two supporting activities to integrate our education community on the location and European level and to ease the transition from student to entrepreneur. These are our inspirational lecture series, the SPARK!, and our Greenhouse.

SPARK!: is a series of round table discussions with inspirational climate innovators and invited thought-leaders, telecast across our community. The aim is to foster creativity in the students while showcasing research, innovation, and entrepreneurship at its best. SPARK! also develop the entrepreneurial ecosystem to which the students are exposed. Annually five SPARK!s are delivered and the Climate-KIC community are invited to participate in the local get-togethers creating a community meet up forum with actors from all three pillars and partners exposed to students and the education pillar.

Greenhouse: is an optional activity for our students and prepares them for Entrepreneurship pillar stage one. It transforms exceptional graduates into exceptional entrepreneurs and links Education and Entrepreneurship by providing a blended mix of coaching, financial support, basic office facilities and investor networking. The Greenhouse differs from the entrepreneurship programme as it is for students (who generally spend more than 60% of their time and effort on their study at one of our partner institutes), and it has an experimental character, the student is not sure whether they want to become an entrepreneur and also the business idea is not validated yet. All participants are awarded access to work space, communication resources, and coaching, alongside support of the CLC in which the participants are based.

2.1.5 E-learning

Climate-KIC is continuing to develop basic postgraduate online courses (called Primers) to provide an excellent base for all of our education participants to reach the required level of understanding to participate in our courses and engage and communicate with participants from other disciplines. In 2014 the primers will be further developed and rolled out to all incoming participants, as well as the next set of Primers starting development (expected to include *climate entrepreneurship basics* and *Climate innovation basics*.)

Climate-KIC Education is also dedicated to utilising the new *Community Hub* (Section 6.3.1) and will be generating online content to populate this portal and will develop all e-material to be compatible with the hub. The Primers however will sit outside the Hub as they offer excellent outreach potential allowing participants from all over the world to access cutting edge Climate innovation learning tools. The professional learning platform proposed by EIT ICT labs could be utilized in a collaborative project to host these in the future.

Additionally in 2014 Climate-KIC will collaborate strongly with the other two KICs on a larger Online Programme activity. In this remit we will provide the climate and sustainability focused modules into a Massive online masters programme developed with a lead from KIC InnoEnergy. This project is discussed in detail in section 5.2.6.

2.1.6 Tailored training programmes

Alongside the development of postgraduate students Climate-KIC Education sees the absolute need to support its innovation community. This is still the development of talent, although it is existing Climate-KIC community talent, and supports the KPI *'development and retention of top talent [in our innovation community]'*.

We will develop an internal training programme accessible to anyone in our community and directly supporting the innovation pipeline. The target audience for this activity is Climate-KIC project leads, managers, the innovation team, and partners working on projects. The offerings in Entrepreneurship (masterclasses and expert briefings, section 3.1.4) should also be seen as part of our internal training offering.

The new training provisions will cover topics including:

- Raising awareness: Courses in (For example) KIC strategy, knowledge dissemination
- Communication: Courses in (For example) networking, influencing, political lobbying
- Innovation: Courses in (for example) dynamic project planning, user behaviours
- Creativity: Courses in (for example) Design thinking, ideation
- Leadership: Courses in (for example) innovative workshop techniques

All training courses will embody the Climate-KIC education values, with particular focus on:

- Quality
- A community that learns by doing
- Ideas usefully applied, and knowledge dissemination
- Includes latest knowledge / thought leading
- Systemic / bridging disciplines
- Delivery to entrepreneurs, intrapreneurs, and enablers (full range in the internal community)
- A scalable approach that enables us to achieve necessary critical mass and (climate change) impact

Looking beyond 2014 our personal development provision will ideally acquire accreditation and become a prerequisite for all large innovation projects in the KIC (projects show clear personal development plan for their participants before initiation). Personal development supports community integration with the values of the KIC, delivers a community with the right skill set for success, and makes the community feel supported and valued ensuring their longevity within the KIC.

Key deliverables:
Key deliverables:
PhDs: 130 (50 new recruits and 80 continuing)
Recruitment to Masters label: 150
Summer school delivery: 11
SPARK! Delivery: 5
E-learning primers: 2

KPI:		
Attractiveness of education programmes		
No. of graduates		
No. of business plan ideas worked on		
Total: XX €	KAVA: XX €	Of which EIT €

2.2 Capitalising on Knowledge

As the innovation pillar, and the KIC itself, matures so knowledge is created. In the move towards self-sustainability and in the interest of knowledge dissemination Climate-KIC needs to capitalise on these knowledge products and ensure that all investments give a commercial return. In 2014 Climate-KIC Education endeavours to initiate the first steps in supporting the outputs of the innovation pipeline where instead of technologies, knowledge is the result.

This section is an investment in Climate-KICs future; it is creation of tools to deliver educational offerings in a commercial context, and the education offerings themselves. The programmes produced will be executive education and allow a revenue generation opportunity for Climate-KIC.

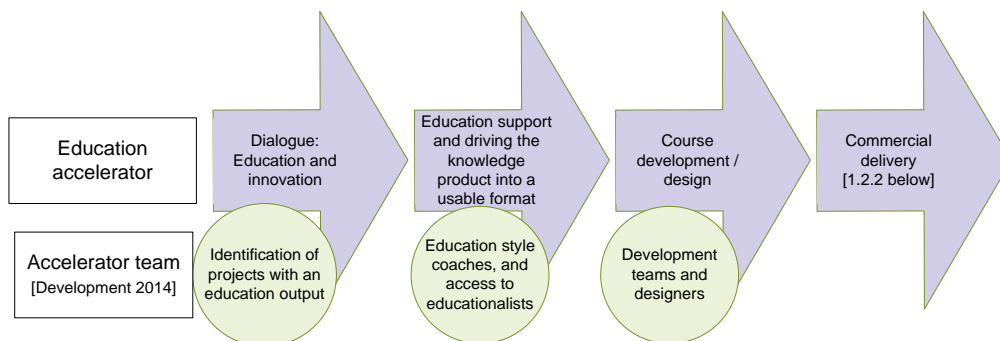
2.2.1 Education accelerator

Climate-KIC education will utilise knowledge developed within the innovation pillar to develop:

- Executive courses
- Implementation packs and tools

This is highly dependent on innovation pillar outputs, and the aim for 2014 is to develop capacity within our partners to support the management and commercialisation of 'knowledge products' as they arise, thus this is a pilot activity.

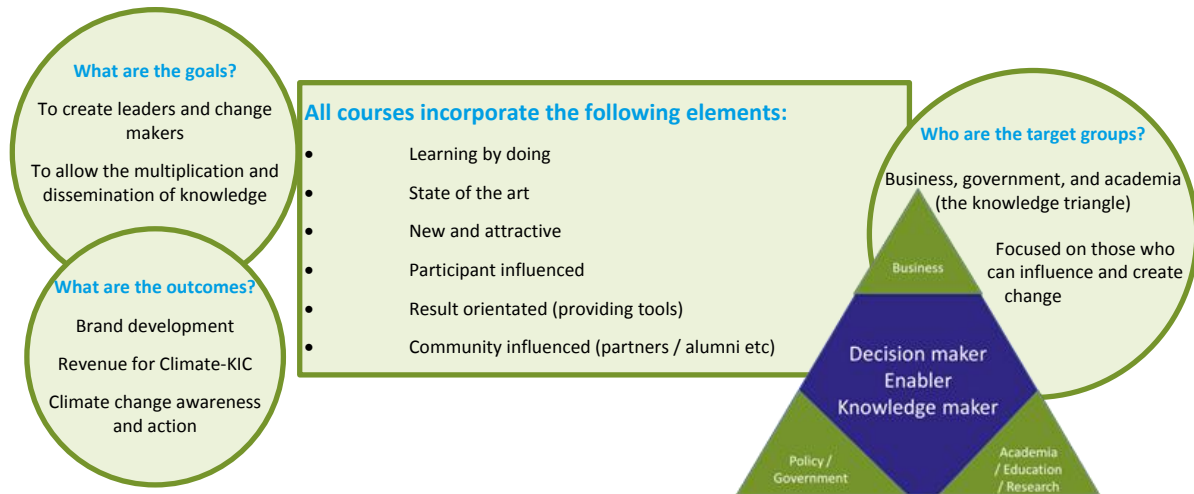
Climate-KIC projects N-DEMO and iApples have been used to initiate the development of a methodology for turning knowledge into commercial courses. Through this process we are defining a 'knowledge product development' concept that can be applied to other Climate-KIC projects. An initial outline is shown below, and the overarching aim is to create an education accelerator – allowing the Innovation pillar to produce products that are replicators, with potential for the scalability of knowledge and multiplication.



The accelerator will be used by projects with potential to provide learning materials and course. These will be identified in conjunction with the Entrepreneurship pillar coaches and the Innovation pillar team.

2.2.2 Executive Education

The specificity of Climate-KIC Executive Education is providing courses that enable participants to: *'become a sharing part of a multidisciplinary (the knowledge pyramid) climate community of knowledge and experience'*. The overarching principles of Climate-KIC executive education are outlined below.



In 2014 we will deliver a number of executive education courses under this remit. These will include one successful course from previous years, once course developed in 2013 for a 2014 start (Shaping eco-leaders to create low carbon prosperity), and a potential number of courses developed through the new Education Accelerator (2.2.1).

All of these courses are designed and run to create revenue for the KIC. They attract an external audience, widen our knowledge dissemination capacity, and support the KIC in the road to self-sustainability.

All executive activities can be accredited and learning pathways identified for a possible Climate-KIC 'MBA', or awarding the status of 'climate Innovator'.

Key deliverables:		
Key deliverables:		
KPI:		
Total: XX €	KAVA: XX €	Of which EIT €

2.3 Pioneers into Practice

The Pioneers into Practice (PiP) is a new type of professional knowledge development which aims to change the day-to-day practices of climate professionals with current responsibilities in business, government and research. It aims to create a new generation of low carbon innovators with the capacity to understand and manage the particular type of innovation required to address the challenges posed by climate change.

The PiP programme is unique in terms of breaking down the barriers between the different parts of the innovation pyramid and integrating business, education, research and public bodies at regional and European levels. The following sets out the different elements of the programme

2.3.1 Pioneers

Pioneers undertake two 4-week placements during the programme – a domestic placement in their region in the first half of the year and an international placement in a partner region in the second half of the year. The placements are designed to provide pioneers with the opportunity to experience leading low carbon innovation initiatives in the regions and develop generic capabilities as well as specific know-how.

The placements will focus on developing an understanding of key systemic challenges in the transition to a low carbon economy by exposing pioneers to real low carbon projects in the regions. Experiences within the placements shall be mainly interdisciplinary and involve different perspectives, for example researchers working on projects in companies. With this, participants of the programme should get a comprehensive understanding of socio-technical experiments.

2.3.2 Mentoring and coaching

The programme mentoring is led by the Dutch Knowledge for Systems Innovation (KSI) network. This network brings together a range of experts in the area of transition theory, management and practice. The mentors provide specific inputs during the introductory workshops in each region; the crucibles and throughout the pioneers' assignments as well as train the trainer sessions to develop regional understanding and competence on transition thinking.

The Dutch mentors will be supported by a team of regional coaches based in the regions. The coaches will bring knowledge of regional and Climate-KIC activities and have expertise in the development of new business cases, models and project proposals

2.3.3 Implementation

The management and delivery of the programme requires a significant amount of time and resources. A programme manager will be employed in each Climate-KIC region

Particular issues to be developed in 2014

The PiP programme has grown steadily since being established in 2010 and almost 200 individuals are participating in 2013. The programme in 2013 has also included a pilot involving the Dutch CLC to assess how the programme could be expanded to include participants from across the Climate-KIC community. There are a number of issues the programme will address in 2014:

- Consolidation of numbers rather than significant expansion;
- Expansion to involve participants from across the community;
- A number of placements will be provided by Climate-KIC's portfolio of Innovation and Pathfinder projects;
- Cooperation with other European regions;
- Internationalisation.

A review of the programme was undertaken towards the end of 2012 to assess its performance to date. The review collected a significant amount of data on the programme participants and demonstrated quite clearly that the pioneers themselves have derived significant benefits from the programme. The review also included a number of conclusions and recommendations for the operation of the programme from 2013 onwards.

Programme Objectives:

- Create an international community of low carbon innovators with the capacity to understand and manage the particular type of innovation needed for the transition to a low carbon economy
- Develop a mix of interdisciplinary know-how and managerial capability among practitioners in low carbon innovation.
- Develop an understanding of the main systemic challenges in the transition to a low carbon economy and support the development of potential solutions.
- Develop a transition platform of key actors and activities as the basis for activities
- Promote interaction of existing front-runners and future project leaders within and across the community
- Maximise the benefits of the low carbon transition in terms of new ideas and thinking as well as economic renewal.

Key deliverables:		
• KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

2.4 Implementation, design and delivery

2.4.1 Excellence and quality assurance

Climate-KIC is a bold experiment as a whole, but also conducts various sub-experiments. In order to understand which models of innovation function, and which Climate-KIC experiments work well, it is important to continue research on our activities. In 2013 four central PhDs were commissioned, these will continue to work over the next three years generating main results in 2016. To complement this activity we will also commission a number of contracts with shorter timescale to generate research material for books and publications showcasing our education innovations.

In addition to this we also need to carry out quality assurance of our Climate-KIC EIT labelled degrees.

2.4.2 Implementation – central

The European integration and quality of Climate-KIC education relies on strong central leadership and a clear vision across all CLCs. The education programme is successful because of the team's ability to work well together and their unity across locations.

2.4.3. Implementation - local level

Each CLC has a dedicated Education team. The function of these teams is to deliver the Climate-KIC education programmes. They consist of an education lead who is usually an academic embedded in a key university to ensure programme integration and acceptance at the local level. They are also able to support the programmes through their personal network and expertise. The lead is supported by a management team (Education managers and administrators) who carry out student recruitment and student management throughout the year, co-ordinate the programmes, and carry out all logistical tasks for education at the CLC level.

The CLC teams are co-ordinated by the central team through management meetings chaired by the Director of Education and attended by all CLC education leads, and operational meetings chaired by the Deputy Director and attended by all education managers.

In addition to this our RICs are also supported with implementation teams, who work closely with the central team on RIC specific activities including the Enabler Journey, the Journey, PiP integration, mobility, and executive education.

Key deliverables:		
• KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

3. Entrepreneurship

Entrepreneurship highlights

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The Climate-KIC Entrepreneurship programme has seen sustained growth over the past years. Where 2012 already showed significant growth over 2011, the year 2013 shows accelerated growth. And 2013 has seen the first successes of the programme, as well. This shows that Climate-KIC addresses a key issue of the EU's innovation ecosystem by boosting the number of climate-related start-ups and helping them to the maturity level of becoming attractive for investors.

Climate-KIC sees tremendous potential for further growth. We have created a rich feature set of the whole Climate-KIC programme (master classes, Venture Competition, incubator network, synergies with the Education pillar and the Innovation pillar). This creates a unique environment for early stage start-ups and SMEs to boost their growth and become worldwide exporters of clean technologies with climate impact.

The plan for 2014 takes advantage of this by scaling the acceleration programme with the aim of becoming the world's largest climate accelerator programme, which is the core of the Entrepreneurship pillar. Achieving this requires substantial supportive arrangements to ensure this growth will go hand in hand while guarding the quality of the programme and growing investor awareness and commitment.

The highlights of 2014 are:

- scaling the acceleration programme
- developing a world-class support framework: EU wide business ideas competition, EU coaching network, validation support and incubators network
- pilots to create revenue with the Entrepreneurship programme
-

3.1 Start-up Support

3.1.1 Incubation programme

Climate-KIC's Entrepreneurship pillar supports and accelerates the path through the valley of death for young companies. Thus Climate-KIC acceleration programme offers a systematic three-stage approach to help entrepreneurs develop, fund and implement business plans.

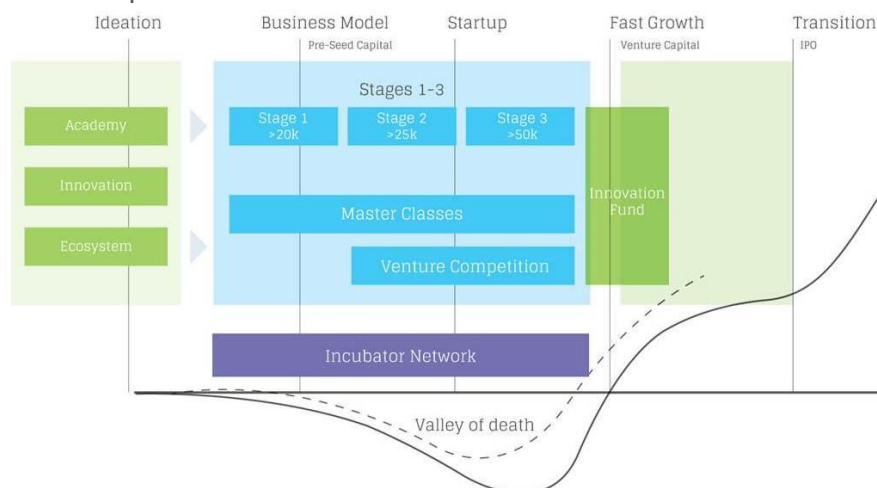


Figure 3: Climate-KIC incubation programme

Growing climate innovations into valuable, investable businesses is the goal of the acceleration programme. The programme has expanded in 2013 with the growth stemming from more start-ups entering the programme, but also because earlier start-ups are still in the portfolio, progressing from stage 1 to stages 2 and 3. These two effects have resulted in

accelerated growth. By sticking with qualifying start-ups all the way through the third stage of the acceleration programme, we can take these start-ups all the way to investment readiness.

We see tremendous potential for further expansion of our accelerator programme. The rich feature set of the whole Climate-KIC programme (master classes, Venture Competition, SME vouchers, synergies with the Education and Innovation programmes) is considered highly valuable and prestigious by start-ups. It is a rich EU-wide ecosystem that cannot be found in any local business incubator or accelerator. This unique environment gives early-stage start-ups and SMEs a great opportunity to boost their growth and become worldwide technology leaders with substantial climate impact.

To harvest the potential of the acceleration programme we will further scale it in the coming two years. We will do this by:

- EU-wide pre-acceleration activities to boost the number of start-ups applying for the acceleration programme;
- expanding the acceleration programme to other incubators in the EU, starting in 2014 with two to three RIC locations;
- pilots to open the programme to start-ups from outside the EU.

By 2015, the Climate-KIC acceleration programme will be the world's largest climate accelerator programme, servicing 200 to 300 start-ups per year.

We will combine this threefold growth of the programme with a strong, EU-wide support framework to ensure the quality and efficiency of the programme. This includes training of incubator staff, setting up a core team of expert coaches that support and train start-ups all over the EU and expanding our world-class Entrepreneurship master classes with expert briefings and video lectures.

3.1.2. Incubator network

A key role in the support of young ventures is played by a strong Climate-KIC incubator network, which has been built over the last two years. These incubators are linked to a CLC or RIC region and provide support from the ideation phase towards first deal making with customers and investors. Climate-KIC enables, empowers and connects European incubators to support fast growth start-ups into an international market. Climate-KIC drives the incubators in the network to the next level of performance by benchmarking and best practice sharing.

Climate-KIC is now broadening our international network of incubators to include participants not only from Europe but also from India, China and the USA. We will further expand the network to have 90% penetration by the end of 2015 of all relevant clean-tech EU-hotspots. Outside of the EU we are exploring incubators in Australia, Canada and Latin America. Through the network we support our start-ups with trusted, high quality access to markets inside and outside of the EU. It lowers the barrier for export substantially.

As part of the incubator network we have set up a research project mapping clean-tech incubators all over the world, together with the Education programme. The research is carried out by PhD and Master students as part of the EIT-labelled certificate.

3.1.3 Validation support

On the path to becoming an investable start-up, one of the hardest steps is the process to validate the technology and the start-up's business model. For this we will create a new, EU-wide competency network that will become an important part of the support framework for start-ups. The technology validation will primarily be delivered by Climate-KIC partners. For the financial validation we are exploring options with financial institutions.

3.1.4 Master classes and venture support

The Climate-KIC master classes are a unique feature of the Climate-KIC approach. Master class are a crucial instrument in creating a European network of entrepreneurs with a common understanding about what it is like to run a start-up. The trainers in these classes are serial entrepreneurs themselves with an outstanding track record and world-class

teaching skills. They are handpicked, chosen for their expertise in clean-tech and their experience as entrepreneurs. The feedback of the entrepreneurs shows that the international master classes are extremely valuable learning experiences.

It is a unique opportunity for the start-up teams to attend these master classes. In 2013, a total of 8 classes were taught with over 300 participants. In 2014, the curriculum will again be expanded and given even more depth, in order to service the growing number of Climate-KIC start-ups and to broaden the programme to serve SMEs and corporate staff.

Key deliverables:		
•		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

3.2 Business support

3.2.1 SME support and vouchers

Climate-KIC's SME innovation vouchers are the hands-on vehicle for SME-related knowledge transfer. These vouchers allow start-ups and SMEs to obtain the latest science and technology knowledge. The aim is to remove bottlenecks in the development of their products and services and accelerate the commercialisation process. The SME vouchers are the key means of bringing SMEs into the Climate-KIC community and connecting them with our centres of excellence. In 2013, we increased our marketing of the SME voucher programme and continued to simplify the administrative effort involved. For 2013, we expect to have supported 25 – 30 SMEs with innovation vouchers. In 2014 Climate-KIC will expand this successful programme.

3.2.2 Climate Market Accelerator

Climate Market Accelerator (CMA) was created with two main objectives in mind: a) to create simple mechanisms to accelerate engagement with potential buyers of climate innovations to shorten the time to market for new products and solutions and b) to provide demand-side input and demand-side recipients for all KIC activities. Projects within the CMA programme focus on identifying, shaping and creating demand for new products and services.

So far, CMA projects have focused on three main approaches:

- **Buyer networks and support:** these projects bring potential buyers of climate innovations together (e.g. in procurement-related projects)
- **Buyer-supplier collaborations:** these projects bring potential buyers and suppliers together (e.g. in demonstration projects)
- **Challenge-led competitions:** these projects identify potential buyers' unaddressed innovation needs, then organise idea competitions for innovation

Based on our 2013 experience, we will refine the CMA framework and increase our internal marketing of the CMA programme to partners to grow the number of CMA projects in order to strengthen demand-pull for climate innovations.

3.2.3 Business coaching

Business coaching is an essential component of the Entrepreneurship programme. The coaching is a service not only to the start-ups, but also to the platforms, the Innovation projects and SMEs.

The Climate-KIC approach to coaching is hands on and in depth. Coaches do not just reflect intellectually, but challenge the entrepreneurs about their suppositions in every aspect and detail of their business idea. Whereas project leads, intrapreneurs and entrepreneurs keep the responsibility for the choices they make and the approach they take, the coach is there

to challenge, which makes every choice more thorough.

The Business Model Canvas will continue to play a key role by providing a common framework for the business coaching as part of the incubation programme of Climate-KIC. With the growth of the Climate-KIC programme as a whole grows the need for more coaching. In 2014 the focus will be on building a larger set of market-expert (water, energy, bio based) coaches and more thematic (finance, IP, pitching) expert coaches. This coaching network will work as a European infrastructure; coaches will not just coach within their own countries.

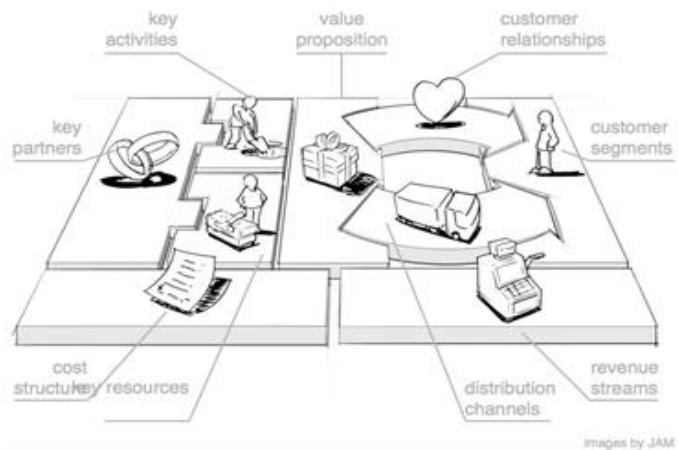


Figure 4: Business model canvas approach

This EU-network of coaches ensures the quality of the Entrepreneurship programme in each country and at the same time gives us powerful expert feedback on the program's performance. For this we will bring the coaches together twice a year to monitor our progress and discuss options for further improvement.

3.2.4 Investor activities

Climate-KIC works in the pre-competitive environment, where major work needs to be done to develop ideas to business. Pivots are common, targeted markets change, revenue models are turned upside down. Success and speed of progress is in the early stages very unpredictable. It is here where the Climate-KIC programme intervenes. The acceleration programme helps clean-tech entrepreneurs develop their business idea into an investable business proposition by intensive coaching and mentoring, by guiding them through the oftentimes radical changes their business propositions have to go through. In this pre-competitive environment it is often unclear for investors if there is a value to be had by participating. The more start-ups move through the phases, and the more well defined their business models are, the more investable they become. Investors need clear and well defined propositions. Climate-KIC offers a wide array of start-ups in a wide array of industries and within a large set of different legal national systems. This is coupled with a relatively dispersed European clean-tech investment community. In 2014 the core partners will start different pilots in every country to develop models of participation of outside investors and tailor this to the local (national) needs. They will not only be looking at the traditional investors' side but also at the philanthropy sector moving towards impact investment.

3.2.5 Climate internship marketplace

In collaboration with the Education programme we will create a climate internship marketplace to match talent with start-ups, SMEs and industry. Smart talent is always looking for great learning and networking opportunities during an internship. Vice versa innovative start-ups and businesses are always looking for smart talent, so there is tremendous synergy here. To match supply and demand we will created the climate internship marketplace.

Key deliverables:		
•		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

3.3 Events and competitions

3.3.1 Venture Competition

Climate-KIC organises an annual Venture Competition for start-ups and SMEs, as part of the EIT Entrepreneurship Event. After a local selection event in each CLC and the RIC, twelve new ventures pitch their innovative product or service and their business model to an international jury at the annual Innovation Festival. The objective of this series of competition is to provide Climate-KIC start-ups with an international podium. The winners get a financial award for the further development of their new venture, but even more important is the exposure and validation by experts: it opens doors to investors.

3.3.2 Events

The clean-tech investment community in Europe is small and dispersed in comparison to the USA. For this reason, and given that Climate-KIC is still establishing a name for itself in this space, we have co-organised and co-sponsored clean-tech and climate-innovation events. This maximises the exposure of our start-ups and the Climate-KIC partners to outside collaborators and investors in the broader climate-innovation ecosystem, including impact investors.

We will also continue developing Climate-KIC branded events. Our first EU-wide investor event was organized in the autumn of 2013. There was strong participation from corporate VCs, VCs and institutional investors, who could speed-date with Climate-KIC start-ups. Given the positive feedback from the participants we plan to build from this a network for climate-innovation investors in the EU. Doing so will connect more investors to Climate-KIC investment opportunities, and also enhance the search for models of revenue generation for Climate-KIC.

3.3.4 EU and international reach

One of the ways to boost the number of start-ups applying for the acceleration programme is by organizing EU-wide pre-acceleration activities. For this, we are pursuing partnerships with other strong climate-innovation networks inside and outside of the EU in order to pursue mutual synergies. By collaborating with others we make the most of network effects, develop ties to trusted leaders and deal-brokers, and expand our own market reach at least cost.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

3.4 Design and Delivery

3.4.1 Excellence and quality assurance

The Entrepreneurship activities are designed and implemented by an experienced entrepreneurship team. All activities are harmonised whilst not being standardised because of local specifics, across the Climate-KIC community and documented in a Climate-KIC Handbook on Entrepreneurship.

3.4.2 Implementation – Climate-KIC level

The Director of Entrepreneurship chairs the entrepreneurship team, which is staffed by all CLC Entrepreneurship Leads and the RIC Entrepreneurship Lead. Furthermore the team is supported by a programme officer and a communications manager. The entrepreneurship team designs and coordinates the Climate-KIC Entrepreneurship programme.

3.4.3 Implementation – CLC/RIC level

All Co-locations and the RIC are represented in the Climate-KIC entrepreneurship team. The

implementation and delivery of the entrepreneurship activities is organised at the CLC/RIC level. The central entrepreneurship activities like the master classes are organised and hosted by a CLC/RIC. The programme activities are carried out in close collaboration with the incubators participating in the incubator network and supplemented by the broader network of partner-provided services, as well as business coaches and trainers brought in for special-purpose tasks and events.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

Entrepreneurship collaborations with platforms and pillars

In 2014 Entrepreneurship will align several activities with platforms. Entrepreneurship activities to be deployed in each platform include business coaching for innovation projects, incubation support for start-ups, execution of SME vouchers and CMA projects. By integrating these resources closely with the platforms, we will provide direct support to increase creation of new products, services and processes from our innovation projects. This in turn will improve our knowledge-transfer results.

Entrepreneurship carries out important collaborative activities with the Education and Innovation pillars; these are detailed elsewhere.

4. Innovation

Innovation highlights

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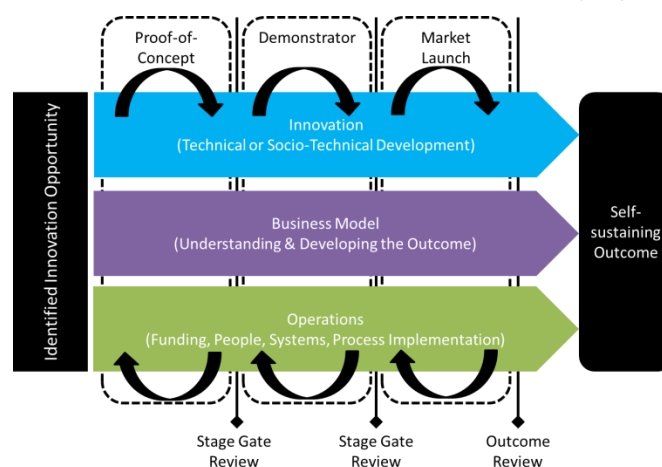
The Innovation pillar has undergone a significant growth and learning process over the past three years: the portfolio grew to around 50 Innovation and Pathfinder projects, we focused our activities around 8 challenge platforms, first projects are finishing and the Innovation team has matured significantly. This provides an ideal basis to now tackle 3 key challenges in 2014, which will enhance our performance further. These are: (a) developing high impact projects, (b) refining our innovation model and (c) increasing the capacity of our Innovators.

A. Developing high impact projects

After clarifying the priority challenges to be tackled by our platforms, we are in a position to further grow, scale up and out in order to increase our impact. A number of flagship initiatives will be launched for this purpose by reinforcing or clustering existing and new projects in areas having demonstrated their high potential impact. These large initiatives will at the same time make it possible to manage our growth and to significantly contribute to the transitions that are needed to tackle climate change. To increase our impact, we will in addition (i) initiate strategic partnerships to leverage additional funds and roll out our approach and resulting innovations and (ii) explore first pilot cases of revenue generation through joint ventures and the development of Climate-KIC services.

B. Refining our Innovation model

To further increase the delivery of our desired outcomes, we will refine our pipeline management, based on Innovation and Pathfinder projects, the latter being used to explore possible markets and business cases for Innovation. The processes we will start to put in place in 2014 will still rest on these two categories but the Pathfinder projects will be turned into a series of programmes supporting our platforms and guided by them. The Innovation projects will be developed in a staged way ensuring their progress toward marketable products and policy tools. Each approved Innovation project has been requested to identify a series of milestones where decisions will be taken on how (and possibly whether) to pursue further and ensure successful delivery of desired outcomes. In addition each project is requested to articulate how they address three different work streams along the stages of the project: (i) the development of the technical or socio-technical innovation through a clear set of deliverables into the marketable product/service, ii) the business model development, including early-stage engagement with customers, and (iii) the capacity to allocate and manage the right mix of human and financial resources over the project life time.



1 A staged Innovation project model to measure and manage progress from idea to outcome

This approach (as tentatively illustrated above) is intended to help us manage a large intake of propositions which will progressively be “pruned” so as to fully develop only the most promising and impactful projects.

C. Increase the capacity of our innovators

In order to achieve our objectives, we are planning a strong capacity building effort to ensure that the innovators in our ecosystem, platform teams, project leads, project managers, as well as the innovation team itself, share a common vision of desired outcomes and that we have the right competences to deliver along the three dimensions highlighted in the above section. We will firstly build on the business coaching successes obtained so far, and will further develop the business creation efforts together with the Entrepreneurship pillar. Secondly, we will develop a tailored programme of master classes (e.g. on business modelling, communication, workshop facilitation, influencing policy change) and induction courses about the KIC tools and objectives in close connection with the other two pillars. The Education pillar will play a crucial role here.

Deliverables	KPIs
<ul style="list-style-type: none"> ▪ XY Innovation projects under implementation ▪ XY Pathfinders under implementation ▪ Establish XY flagship projects 	<ul style="list-style-type: none"> ▪ Deliver X products/services ▪ Deliver Y start-ups ▪ Deliver Z knowledge transfers ▪ Attract X capital ▪ Co-develop and implement Y policies or standards ▪ Improved selection/monitoring of projects along climate benefits, including a first portfolio level assessment of expected mitigation and adaptation benefits

Table 1 Budget request

EIT request	Co-funding	KCAs

4.1 Greenhouse Gas Monitoring, Reporting and Verification (GHG MRV)

“You cannot control what you cannot measure”: the strategic challenge addressed by the GHG MRV platform is to support climate change mitigation through innovative GHG monitoring technologies and services. Innovation projects will populate the four challenge areas of the platform and aim at building a value chain from measurement to mitigation policy and action:

1. Agriculture and forestry: To design, test, & bring to the market monitoring tools for the agriculture and forestry sectors. For 2014 the following activities are proposed:

4.1.1 Forestry emission services: Develop a functional MRV tool for the forest sector in the framework of the Reduction of Emissions from Deforestation and Degradation (REDD).

4.1.2 Reducing emissions from cattle breeding: Reduce emissions from the cattle breeding sector with new feed additives, in Europe and the developing world.

4.1.3 Improving soil carbon management: Develop new services in soil carbon management and productivity and create new links with environmental markets.

2. Large point sources and fugitive emissions: To deliver tools to utilities, waste and wastewater treatment & gas network operators. For 2014 the following activities are proposed:

4.1.4 Avoiding point source methane emissions: To develop new standards and services to address the issue of fugitive point sources methane emissions, involving end-users.

3. Cities and public authorities: To support cities and local authorities in GHG mitigation decision making and long-term planning a tentative flagship ‘MRV for cities’, involving several Climate-KIC cities will be developed in preparation for COP21 in 2015. This aims to demonstrate that city-scale solutions can be effective in monitoring GHG emissions and informing decision-making. This is particular will entail:

4.1.5 Develop and test city emission services: Develop a city-scale GHG MRV service in Paris and Rotterdam

4.1.6 Scale up city emission services: City-scale MRV tools to enable cities to meet their emissions targets. The tentative flagship will scale up existing successful KIC projects

4. New business models: To support the development of new mitigation-related incentives and business opportunities for corporations and individuals. In 2014 a number of Pathfinders will be implemented, Innovation projects will be developed for 2015 and onwards.

As a result, we Climate-KIC is in a unique position to address GHG MRV issues central to the success of international negotiations on climate change and associated market-based instruments. Given its scientific and technological outstanding innovations, and the active involvement of the private sector, the GHG MRV platform is expected to become a global player to enable and support European leadership in triggering and verifying GHG emission reductions. The markets addressed will offer numerous opportunities for collaboration and external funding as well as a high probability of creating revenues streams for Climate-KIC.

4.1.7 Platform Pathfinders: The GHG Pathfinder program explores innovation opportunities for GHG information, services and technologies (Sgreenvest, KnowCarbon, MRVMS, Miriade, CO24G;) targeting all platform challenges.

4.1.8 Platform activities: Thematic strategy development by the platform team of Climate-KIC experts. This activity includes the organisation of thematic events, communication materials, and outreach.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

4.2 Sustainable City Systems

The SCS platform aims to: (1) support municipal decision makers in the transition from centralized but separate energy, waste, water, ICT and transport systems to decentralized and/or integrated systems, and (2) help European utilities and connected businesses develop high-value, integrated and climate-friendly urban solutions for a global market. In line with these aims in 204 we focus on three complementary challenges, resulted from an assessment of current Climate-KIC projects, partner strengths and market opportunities:

1. Tools to support urban design, planning and management comprise the following activities:

4.2.1 Urban planning visualization: To provide a common front-end for visualization of urban planning scenarios enabling complex climate related decision making processes

4.2.2 Integration of blue & green assets: To exploit and reinforce synergies between water infrastructure and amenities (blue assets) and urban vegetated (green) spaces

4.2.3 Bioclimatic urban design: To provide tools to architects/urban designers to plan for minimized energy use and optimizing urban climate comfort.

4.2.4 Supporting city adaptation: To develop city transformation support software that integrates systems analysis, engineering and cutting-edge social science

4.2.5 Improving city energy action plans: To develop a tool to assess costs and environmental impacts of energy plans to help cities improve and deploy energy strategies

4.2.6 Framework for Modelling City Systems: To integrated a number of these tools to support integrated city system design, planning and management. The activity is supposed to become one of our flagship activities by a) integrating tools, b) scoping new tool developments c) applying them to KIC projects & partner cities.

2. Integrated utilities and mobility challenge is focusing on the following activities:

4.2.7 Energy efficiency and user behaviour: To develop user-friendly smart metering applications to support consumer's money and energy savings.

4.2.8 Smart Urban Water: To provide services for water management using pervasive sensing/computing, and evaluating business opportunities along value chain

4.2.9 Municipal Bioenergy Generation: To develop a new business model for an innovative bioenergy value chain based on a new technology for an existing market demand

4.2.10 Smart Sustainable Districts: To develop innovation in some of Europe's most advanced sustainable districts by coupling tools/models, smart technologies & policies to drive sustainable city development and help cities meet their GHG reduction targets.

3. Resource efficient cities: This challenge is less mature in the current portfolio. Market analysis shows that integrated systems solutions are needed yet solution providers are working in silos. Climate-KIC partners have world leading research to offer practical and integrated solutions. While mainly developing activities for 2015 in 2014 we focus on:

4.2.11 Waste energy from cooling water: To develop a demonstrator and the business case for production of high quality water and desiccant concentrates using low grade energy from cooling water

Overall thematic activities in Sustainable city systems will include:

4.2.12 Pathfinders: Each thematic challenge platform incorporates the Pathfinder program, the portfolio of short-term projects identifying market opportunities and streamlining innovation ideas. 6 Pathfinders are currently suggested in this platform

4.2.13 Platform Strategy and Management: Thematic strategy development by the team of Climate-KIC experts. This activity includes defining strategic direction, reviewing proposals, building community, establishing strategic partnerships

Key deliverables:
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KPI:
Budget request:

Total: XX €	KAVA: XX €	Of which EIT €
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4.3 The Built Environment

The scope of building activities indicates there are a number of economic opportunities for transforming the built environment. Approximately 10% of global Gross Domestic Product (GDP) and roughly 8% of all jobs globally are connected to such activities. At the same time, the environmental impact of these activities (40% of global anthropogenic greenhouse gases and 70% of landscape change) suggests there is enormous potential for significant reduction to both long term costs as well as impacts on the environment.

The built environment platform's key strategic priorities focus on four complementary challenges, selected based on an assessment of the current KIC projects, partner strengths and market opportunities.

The platforms core programme of activities to address all of the four challenges outlined below is:

4.3.5 Building Technologies Accelerator (BTA).

BTA reduces time to market for new sustainable building technologies and accelerates business growth by providing a network of Living Labs and the opportunity to perform field tests. The concept of BTA is to provide an Open Innovation Ecosystem around four Living Labs. This will bring together researchers, large building technology companies, innovative start-ups and SMEs, property owners and managers as well as financial investors and end users. The engagement with the community of actors in the built environment will allow the scale-up of socio-technical solutions and speed up market dissemination.

1. Refurbishment: Development of economic and financial models stimulating investment in refurbishment and energy performance. In 2014 the following activities are proposed:

4.3.1 Positive Unit Retrofit: To develop case studies for new socio-technical business model solutions to building retrofit

4.3.2 Energy efficiency measures investment tracker: Cloud-based decision making tool to estimate the benefits of the residential building energy retrofiting

2. Identify and promote innovative solutions and technological achievements that meet climatic criteria against the backdrop of specific socio-cultural and climatic zones:

4.3.3 Automated Housing Services: Improve automation in homes in order to optimize technologies (heating/ cooling services) in terms of energy consumption also in regards to grid related issues (storage, grid buffering)

4.3.4 Modular and industrialized construction systems: improve pre-fab solutions and processes to increase building quality and up-scaling potential in order to reduce the carbon and water footprint of urban environment and realize a low-carbon economy.

3. Provide test facilities that address the human – technology interface and allow the launch of products with proven high consumer acceptance which will lead to quicker market uptake and therefore lead to an actual positive climate impact.

4. New businesses. Enlarge the network for generating critical mass and aligning efforts in the field in order to facilitate demand-supply connections and create new markets and businesses.

Overall thematic activities in the built environment will include:

4.3.6 Pathfinders: This portfolio of short-term projects exploring innovation opportunities and market needs in the thematic area includes among others Performance of properties analysis, business opportunities for unsubsidized building-applied PV, European database of sustainable building products,

4.3.7 Platform strategy and management: Thematic strategy development by the core team of Climate-KIC experts, defining strategic direction, community building and establishing strategic partnerships.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

4.4 Adaptation Services

Currently it is often overlooked and difficult to factor in climate adaptation when making investment decisions. This is due to dispersed information, limited understanding of uncertainties, and the still underdeveloped expertise in translating climate data into concrete impact chains for different sectors. Adaptation services focuses on taking this knowledge and translating it to concrete services and solutions to accelerate adaptation action and make a real impact in increasing adaptation capacity and resilience of societies, infrastructure, and cities. To achieve this, the platform focuses on two main strategic challenges:

1. Climate information: develop and scale up relevant usage of climate and climate change information by society and businesses. The following activities are proposed for 2014:

4.4.1 Adaptation for food security: To support governments and private stakeholders into optimising risk management strategies to ensure resilient food security.

4.4.2 Adaptation of coastal zones: Tools supporting decision-makers in effectively coping with climate change and the sustainable management of coastal zones³⁾

4.4.3 Urban climate data provision: To provide mobile climate & air quality sensors integrated into real-time models, & visualization tools for environmental services

2. Adaptation services for different sectors: Develop services and products helping various economic sectors adapting to climate change, with the following activities for 2014:

4.4.4 Adaption of the power sector: Tools to assess probabilities of future energy - relevant climate extremes, creating bridges between academia, industries & SMEs

4.4.5 Services for the insurance sector: Developing a fast open source platform where data providers can supply climate hazard models for (re)insurance end users. A potential flagship project will also address this sector, extending the activity towards additional services and expansion of the modeling and end user ecosystem

Climate-KIC partnership has capacity across the adaptation services value chain: climate service information, value added service providers and end-users. It is this unique

combination which distinguishes the KIC from other activities which are mostly focused on climate information.

4.4.7 Adaptation Service Pathfinders: This portfolio of short term projects will catalogue and explore available climate information and expertise, the possible end users or sectors and their service needs as well as exploring and removing market or policy barriers thereby catalysing innovation and business creation in the climate adaptation sector. Each thematic challenge platform incorporates the pathfinder program, the portfolio of short-term projects mapping the needs of potential customers, exploring the market for innovative adaptation services.

4.4.8 Adaptation service strategy work: Thematic strategy development by the team of experts, including further shaping the platform strategy, developing and selecting project ideas, building the thematic platform community.

Key deliverables:		
<ul style="list-style-type: none"> • 5 Pathfinders, 5 Innovation projects and one flagship running in 2014 • 2-3 thematic events for knowledge transfer and community building • 3 PhD studentships selected and awarded • Methodology for adaptation metrics applicable to Climate KIC (and other) projects to quantify the adaptation impact of outcomes 		
KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

4.5 Land and Water Management & Engineering

The platform Land and Water Management & Engineering supports demand-driven innovation on the Climate proofing of water engineering and agriculture and links these innovations to enhanced land use and ecosystem services delivery.

The platform addresses the end users and markets from corporates, SME's, governmental organizations or NGO's that deal with the total value chains of land and water use. The purpose of the platform is to increase climate resilience by targeted engineering and management of water and land resources in a (cost-) effective way; to integrate ecosystem solutions in the portfolio of adaptation solutions and to support EU businesses in strengthening the market of integrated solutions in climate mitigation and adaptation of water and land resources In 2014 the following strategic challenges will be prioritized:

1. Resilience to extreme events incorporates the following activities:

4.5.1 Services for bridging the water gap: To perform analyses of investments needed to bridge the water gap for selected regions and countries

4.5.2 Improved flood risk pricing: To improve pricing of risks and prioritization of investments, thus providing options to reduce flood risk

2. Long term sustainability and robustness will be tackled by these following activities:

4.5.3 Climate Smart Arable Farming: To increase productivity and farmer incomes while increasing resilience and reducing greenhouse gas emissions

4.5.4 Climate Smart Dairy Farming: Support the dairy sector in operating and producing in climate smart by improving choices at animal, farm and sector level
4.5.5 Climate Smart Agriculture: To provide an umbrella project on the tools and products required for a climate

smart agriculture. A Flagship candidate on Climate Smart Agriculture is envisaged as an umbrella of various Climate KIC initiatives in land dependent as well as footloose climate smart agriculture, animal, aquaculture and plant value chains alike. It will boost adoption of climate proof solutions, technologies and services and up-scaling of implementation in a cost effective way as well as develop methodological and technological innovations that are relevant for the “fleet projects”.

3. Socio-ecological systems and ecosystem services includes the proposed activities:

4.5.6 Adaptation for Coastal Areas: is directed towards sediment management and adaptation of coastal and riverine systems to extreme climate effects and their impacts on rural and urban systems. This activity has the potential to become one of our flagships.

Overall thematic activities in land and water engineering will include:

4.5.7 Platform Pathfinders: Each thematic challenge platform incorporates the pathfinder program, the portfolio of short-term project exploring future innovation opportunities and market needs, such as water footprinting, etc.

4.5.8 Platform team work: Thematic strategy development by the team of Climate-KIC experts defining strategic direction, reviewing proposals, building community, establishing strategic partnerships.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

4.6 Developing the Bioeconomy

This platform aims to create renewed economic growth based on the sustainable use of biomass resources as the primary feedstock for the manufacture of tomorrow’s food and non-food products. The bioeconomy is expected to provide major impetus for Europe’s drive towards a low-carbon, resource-efficient economy, which could contribute GHG savings of 0.3-1.0 Gt CO₂ eq (5-15% of current GHG emissions) per year in the EU-27 region. The bioeconomy will bring about sustainable intensification of all parts of biomass-to-products economic value chains or even create new ones through innovative solutions. The key strategic challenges are:

1. Developing carbon capture through optimized biomass production & land management that will be addressed through the following activities:

4.6.1 CO₂ capture with aquatic-agricultural farming: To connect CO₂ and waste heat streams from industry with aquatic-agricultural farming

4.6.2 Making products from Floodplain Biomass: To increase carbon sequestration in soil through agriculture

2. Developing a Climate-smart cereal based industrial value chain consists of the following proposed activities:

4.6.3 Biofuel for the aviation industry: To build a self-sustaining network of regional renewable jet fuel supply chains based on sustainable feedstock sources

4.6.4 Agricultural waste based products: To develop new sustainable 2nd generation sugar based value chains and to bring them to market

3. Developing Climate-efficient, low investment biorefinery systems. Activities targeting this challenge will formulate a Climate-KIC flagship to develop and bring to market innovative, low-investment biorefinery systems that will act as the cornerstone of the emerging European bioeconomy, delivering sustainable food, biomass based feed, fuels, chemicals and electricity.

4.6.5 Small scale biogas solutions: To develop innovative cost-efficient small-scale biogas upgrading system for Europe’s smaller or more remote farms

4.6.6 Demonstrating micro algae biorefineries: through integration of a municipal wastewater treatment plant, a biogas plant, a microalgae farm and a biorefinery

4.6.7 Climate-efficient, low investment biorefinery systems: to mobilize the Climate-KIC community and actively involve all 3 pillars to develop and bring to market innovative, low-investment biorefinery systems that will act as the cornerstone of the emerging European bioeconomy, delivering sustainable food, biomass based feed, fuels, chemicals and electricity. This will integrate all activities related to this challenge into a tentative flagship.

Through its integration within the Climate-KIC community and its excellent Europe wide partnership, this platform is uniquely positioned to move early in exploring, influencing and exploiting the underlying opportunities of the nascent bioeconomy market. 2014 will see the first steps in the manifestation of the platform strategy through new innovation projects as well as the strengthening of the partnership by involving more demand side actors in the platform activities.

4.6.8 Platform Pathfinders: Each thematic challenge platform incorporates the pathfinder program, the portfolio of short-term projects scoping the markets and actors across the Bioeconomy landscape in Europe.

4.6.9 Bioeconomy strategy work: Thematic strategy development by the core team of Climate-KIC experts include coordinating the platform work, building the community across CLCs and RIC and hosting events.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

4.7 Industrial Symbiosis

The Industrial Symbiosis platform supports the roll out of demand-led innovation and enables Europe to proactively identify solutions to optimize resource efficiency across the value chain delivering cross-sectorial innovative Industrial Symbiosis solutions. One role of the platform is to facilitate the decoupling of resource intake from economic growth as well as economic growth from environmental impact.

1. Resource efficient industry through material & energy flows optimization will focus on the following activities:

4.7.1 Metropolitan Food Clusters: Transforming rural landscapes close to urbanized areas into climate robust, sustainable food production clusters optimising resource loops

4.7.2 Oxygen Depolarized Cathode: Developing & implementing an automated large scale process for the energy efficient production n of chlorine

4.7.3 Low-carbon Infrastructure: To reduce carbon emissions in constructing and maintaining infrastructure (transport and utility networks) via industrial symbiosis

4.7.4 Regional Industrial symbiosis: To advance regional industrial symbiosis by demonstrating how industrial symbiosis can be applied to develop strategies for low carbon regional economic growth in rural and urban settings.

2. GHG reduction and utilization challenge will be addressed by:

4.7.5 CO2 Based Products: Turning the greenhouse gas CO2 into a useful raw material that can replace petroleum as a building block for plastic.

3. Process and product redesign will incorporate:

4.7.6 Ultra-wet gas turbine (CLEAN-GT): Proving the feasibility of a carbon-neutral, low emission advanced gas turbine cycle for power generation using steam injection

4.7.7 Developing the Hydrogen economy: To advance the hydrogen economy, focusing on hydrogen as a sustainable energy carrier and key enabler of widespread and flexible adoption of renewable energy.

The platform aspires to be regarded by 2016 as a leading force helping European industry move across paradigms, i.e. from material-dependent and product-centric to service-based and resource utility-focused. Overall thematic activities in industrial symbiosis will include:

4.7.8 Industrial symbiosis Pathfinders: Each thematic challenge platform incorporates the pathfinder program, the portfolio of short-term projects exploring future innovation opportunities for GHG information, services and technologies.

4.7.9 Industrial symbiosis platform strategy and team work: Thematic strategy development by the team of Climate-KIC expert defining strategic direction, reviewing proposals, building community, establishing strategic partnerships.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

4.8 Making Transitions Happen

There is increasing recognition that a broad model of social and technological innovation is the key to delivering our agenda and the EU Low Carbon Roadmap 2050. This cross-disciplinary platform acts as enabler and accelerator in the transition to a low-carbon, resilient economy. It develops new initiatives and experiments which will enable us to deepen, broaden and scale up these initiatives in cities and regions across Europe. Three key challenges will be prioritized in 2014:

1. Focused Area Development: Support city planners, authorities and stakeholders in

making low carbon transitions effective in their buildings, energy networks and mobility. This challenge will focus on the following activities:

4.8.1 Using urban living labs to accelerate innovation: Generate new business and prompt the creation of new value chain stemming out of urban living labs community

4.8.2 Neighbourhood Development: Develop/test governance structures & de-risk investments delivering climate-friendly developments in 5 neighbourhoods

2. User engagement: Develop a portfolio of models and approaches related to user engagement in different settings such as household energy and neighbourhood mobility. This challenge will be supported by the following activities:

4.8.3 Changing domestic energy usage behaviour: Provide products, services & infrastructure to address behaviour change in domestic energy markets in 6 EU countries

4.8.4 Engaging households in GHG mitigation: Individual carbon & energy calculator and “carbon coaching” to help households enter low carbon economy

4.8.5 Exploiting Integrated Transport Systems: Foster new services building on Intelligent Transport Systems and addressing the commuters market of 5 cities

4.8.6 Visualisation of heat consumption for user: Pilot heat saving solutions in large number of dwellings in 3 countries through IT-based user engagement tools

4.8.7 Diffusion of E-Bikes: Set up intelligent E-Bike systems in 2 cities

3. Finance and Procurement: develop new financial and business models that stimulate innovation.

4.8.8 Transition Cities: Test, deepen and scale up a framework consisting of a challenge-led clustering approach (buildings, energy and mobility) bridging the gap between high-level political aspiration and concrete activity on the ground. Transition Cities will undertake pilots and experiments in each cluster arena; promote new start-ups; leverage in other EU funds; test the broader policy applicability of the model; and disseminate its findings widely across major European networks. This activity may become one of the flagship Climate-KIC activities.

The platform is an original attempt to apply Europe’s evolving broad innovation agenda to the climate change arena. It will draw on funding from regional, national and European programmes and collaborate with relevant European networks to promote take-up of new solutions. Interactions with other platforms will enable scaling up the innovations developed.

4.8.9 Platform Pathfinders: Each thematic challenge platform incorporates the pathfinder program, the portfolio of short-term projects to explore innovation opportunities and market needs.

4.8.10 Platform team work: Thematic strategy development by the team of Climate-KIC experts coordinating platform work, developing strategy, community-building, hosting events and interacting with other platforms in a systematic way.

Key deliverables:
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KPI:
Budget request:

Total: XX €	KAVA: XX €	Of which EIT €
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4.9 Implementation, Design and Delivery

Ensuring delivery of an increasing portfolio of projects requires a reinforced team coordinating the efforts at central level and in our CLCs/RICs to ensure quality, business development, capacity building, communication and the exploitation of synergies across platforms and projects.

4.9.1. Implementation at KIC level

The central management team facilitates and steers the overall development of the Innovation portfolio. It coordinates the activities of the Innovation team and works closely with the platforms to ensure strategic directions are clarified and exploited. It ensures integration with the other pillars. It supervises the project portfolio with regards to both costs and performance of all KAVAs and KCAs and guides the development of our innovation models. It continuously improves the development of guidance and support tools and monitors, and refines if necessary, the scoreboard. Communication is critical and contributes to the marketing of the Innovation activities. Efforts will be devoted in close connection with the central communication team to support the production of video contents, photos and case studies highlighting our results.

4.9.2. Implementation at local level

Each CLC has a local Innovation lead and in some cases an innovation manager. They report to both the Director of Innovation and to their CLC director. They are responsible for contributing to the overall portfolio management and underpinning processes, support the project teams of their CLCs with implementation tasks and engaging partners in CLCs including developing and maintaining an overview of the ecosystem and KIC activities. The budget consists predominantly of personnel costs but also includes flexibility for events, ideation support, and policy work in order to stimulate innovation locally within and by partners.

4.9.3. Excellence and quality assurance

Review and quality mechanisms will be ensured along the entire “innovation chain” using the processes in place (see detailed annex for processes, criteria and results for 2014 BP preparation). The main evolutions of our processes relate to the development of a pool of external reviewers who can be used at various stages along the pipeline. In 2013, these reviewers have been solicited for full projects assessment but they will be involved more broadly from the initial project stage till the completion stage. Expert panels will be assembled to assess particular issues on an ad-hoc basis if needed.

4.9.4. Business development and capacity building

An important challenge for 2014 is to further ensure that the products of our projects are taken up by the market, which requires business development activities for a significant number of them. An action plan is being developed that comprises coaching support (with a coach network being managed by the Entrepreneurship pillar) and capacity development of Innovation Team members, platform teams and project teams (implemented by Education).

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

5. Outreach, strategy and collaboration (OSC), communication

5.1 Outreach

Climate-KIC is committed to maximising the reach of its activities and network across Europe as well as engaging with leading actors in Europe on climate innovation. An extensive 'outreach' programme is being delivered in 2013 focusing on strategy development and tailored activities.

5.1.1 Regional Innovation Scheme (RIS) activities

Based on the EIT proposal Regional Innovation Scheme (RIS) is to develop collaboration between Climate-KIC and regions in neighbouring countries. The RIS follows the underpinning principles set in the EIT Strategic Innovation Agenda. While the programme will focus on excellence, openness and transparency, it will also seek to ensure collaboration between existing Climate-KIC hubs and neighbouring countries. For example - Spain (Valencian region) with Portugal; Poland (Lower Silesia) with Czech Republic and Baltic States; Central Hungary with Romania and Italy (Emilia-Romagna) with Slovenia. Identifying the exact regions to be part of the RIS is part of the outreach strategy development in 2013 and the criteria for the RIS.

The RIS will consist of an integrated programme of activities relating to climate innovation. The details are outlined in the table below. The cooperation and mobility activities will be funded through the Climate-KIC outreach programme. The remaining and follow-on activities will be funded through other sources. We would expect other regions to align some of their Structural and Cohesion Fund activities as part of the collaboration.

In addition to the RIS, Climate-KIC will engage with a number of existing networks to support its outreach and dissemination. These include Enterprise Europe Network, Covenant of Mayors, European Regions for Research and Innovation Networks (ERRIN), Eurocities.

Climate-KIC will also aim to be involved in strategic events of national and European significance on key issues relating to climate innovation.

Education: To ensure a better informed public Climate-KIC sees a role in creating and supporting outreach education activities to audiences not covered in our education programmes. The two key areas of interest are raising awareness in schools and in communities. This activity will be carried out on the CLC and RIC levels where focused projects can be identified. This is not a key focus of 2014 but is an important first step in raising Climate Change awareness and has a wider impact in getting technologies from the Climate-KIC pipeline accepted.

Entrepreneurship: The RIC are represented in the Climate-KIC entrepreneurship team. The implementation and delivery of the entrepreneurship activities is organised at the CLC/RIC level. The central entrepreneurship activities like the master classes are organised and hosted by a CLC/RIC. The programme activities are carried out within the incubators participating in the incubator network and supplemented by the broader network of partner-provided services, as well as business coaches and trainers brought in for special-purpose tasks and events.

Innovation: The RIC innovation model will be further developed in 2014. A RIC Innovation Lead coordinates action of the RICs for the Innovation pillar and is part of the Innovation team, contributing to the same tasks as the local Innovation leads. In addition, the RIC contributes to developing the added-value of the regional and local authority network by facilitating the engagement of RIC partners in Climate-KIC's Innovation activities, developing and implementing a distinctive model contributing to scaling out and deploying KIC Innovation products in the RIC, and leveraging external resources for implementing the model. Communication outreach activities through media, specific events or conference attendance will also be developed in the field of Innovation.

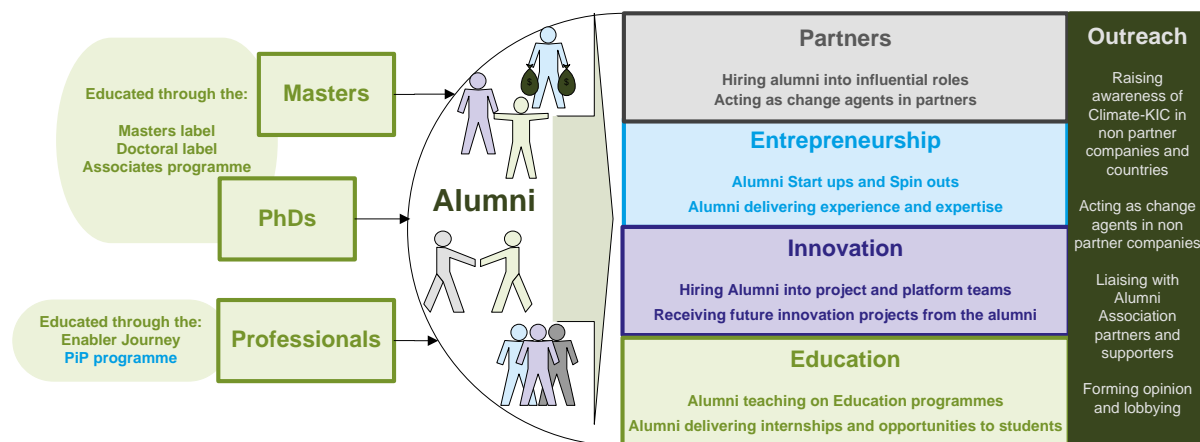
5.1.2 Climate-KIC Alumni

The Climate-KIC Alumni Association brings and bonds together a unique and large community of change-makers in the field of climate change, developing and implementing climate change mitigation and adaptation strategies. The community, in 2013 consists of approximately 500 members and includes enablers, intrapreneurs and entrepreneurs. It is expected to grow to 800 by the start of 2014 with the new intake of PiPs, Associates, and students.

As laid out in the Association’s Statutes, the Climate-KIC Alumni Association’s mission and vision is to increase the retention rate of top talents in the Climate-KIC network by integrating new graduates from Climate-KIC educational programs (including the PiP programme) and by organising community activities that:

- Maintain and promote mutual contacts between graduates from Climate-KIC educational programs;
- Inspire the entrepreneurial soul in Europe to create a climate resilient society;
- Create a diverse and dynamic body of expertise that impacts on European economies through a common vision of delivering environmental, economic and social sustainability in climate focused entrepreneurship and innovation

The alumni are a core pool of talent for Climate-KIC as a whole and are an exciting resource for partners. Also in the longer term vision they are a highly sustainable aspect of Climate-KIC as they are the actors who generate enterprises, spin out companies, and develop innovation. Their continued alignment to the KIC is vital for its growth and continued excellence on a base of highly educated and exceptionally well networked innovators.



In 2014 the association will continue to grow and run community events as well as linking its members back into Climate-KIC. The association is run by an annually elected board and supported by two central member of the education team: The community administrator and the Media assistant.

5.1.3. Outreach implementation

The outreach programme will be delivered via the existing Climate-KIC hubs. The RIS will be managed and delivered by the existing Climate-KIC regions, building on the Regional Innovation Centres (outlined in section 6.6). The design of the RIS will be consistent with the underpinning principles outlined in the EIT.

Key deliverables:
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

5.2 Strategic collaboration

This section describes the key activity areas Climate-KIC is focusing on in collaboration with the other KIC as well as European and international partners.

5.2.1 European collaboration

In many ways, Climate-KIC is well positioned to engage with EU programmes and processes given its existing framework of priorities and sizeable partnership. However, the evidence to date suggests this will not happen without dedicated support and coordination. Climate-KIC has established an EU Landscape taskforce to start working on these issues.

The EU is shaping its financial framework for 2014-2020 and the different programmes and instruments which contribute to the implementation of EU 2020 Strategy.

Against this context, a key factor in Climate-KIC's growth and development in the coming years will be its ability to raise its profile within the wider European innovation and climate community and leverage funding from various EU sources. These include substantial programmes related to research, innovation, education, entrepreneurship and regional development.

To date, Climate-KIC has focused on coordinating EIT and KIC partner contributions to fund its activities. Only limited efforts have been made to involve Climate-KIC in these wider opportunities. However, the potential benefits for Climate-KIC (as a single legal entity or a collection of KIC partners) from participating in EU-funded programmes and projects are considerable. It would:

- Enable Climate-KIC to expand its programme of activities in key areas
- Provide substantial sources of revenue and co-funding
- Raise Climate-KIC's profile with the European Commission and the wider European community
- Provide opportunities for Climate-KIC to develop new strategic alliances within and beyond Europe

In addition, advocacy support to increase the visibility of Climate-KIC among EU decision-making and implementation processes is a relevant activity to be considered and prioritised. This would facilitate Climate-KIC's voice to be heard where appropriate and have a smart impact with EU policy and programme makers.

5.2.2. Thought leadership

Climate-KIC can occupy a unique position in Europe in terms of providing non-partisan through leadership utilising the knowledge and expertise in our extensive and excellent network of academic and corporate connections. We bridge technological innovation, commerce and the regulatory and political environment. Climate-KIC is organising a series of thought leadership events and publications around pertinent topics of climate change, starting in autumn 2013, with a debate on the contentious subject of carbon trading systems. We are maintaining a clear non-partisan stance in these events.

We believe that these events and publications will prove important for us to raise our profile amongst varied audiences that are relevant to us. We anticipate a positive impact in terms of the number of start-up companies that apply to be supported by us, groups that have innovation projects aiming to funded, and students who want to apply for our educational

programmes. We plan to hold around three to four of these major events each year, in different locations across Europe, and with bespoke sets of speakers at each.

5.2.3 International cooperation

The Climate-KIC started to develop links in high priority markets outside of Europe in 2013. The activity has two core aims. The first is to create relationships with the markets which have significant demand for European climate innovation and therefore often also have the potential to have substantial impact on climate change. The second aim is to test ways in which the Climate-KIC may be able to earn revenue in the future.

Through the existing networks of Climate-KIC partners and from a high level market analysis we have identified Asia, the Middle East and South America as the priority areas for international outreach in 2014. We will remain open to opportunities that present themselves beyond these regions but they are the initial focus areas.

The activities undertaken will fall in to two main categories, both utilising Climate-KIC partner existing relationships:

A Longer term partnership building. This work will involve exploratory visits, presentations, workshops and studies to identify the areas where the Climate-KIC can add the most value in the region. We will look at the types of challenges faced, the current market conditions and identify where and how best to create partnerships that can be built on in the future. By the end of 2014 we expect to have:

- Visited a minimum of three countries and 10 cities in each of the three regions;
- Identified the highest opportunity areas for the Climate-KIC;
- Established relationships which will become the platform for future years.

B. Piloting approaches for selling European innovation. This work will be more immediate and will focus on establishing revenue earning relationships with clients in these regions. By doing this we will be able to both provide direct opportunities for selling European innovation and will also be able to test how the Climate-KIC can best provide these services in the future. The objective is to pilot approaches which help achieve the Climate-KIC's core objectives, add value to partners and provide a valuable source of future revenue. By the end of 2014 we expect to have:

- Started a minimum of four fee paying pilots
- Concluded a minimum of two fee paying pilots
- Have made considerable progress in understanding which approaches deliver the most in terms of Climate-KIC core objectives, partner value add and future revenue

6.2.4 Network analysis

Assess and analyse the operation of the Climate-KIC network with bottom-up approach from the viewpoint of both internal and external stakeholders, in order to find untapped potential for enhancing efficiency and effectiveness. Plan and develop - through pilot projects - an improved internal network operational eco-system (policies, framework, procedures, tools and methodologies together), which ensures the more efficient, professional and successful network operation. The activity is delivered through four phases in 2014: Modelling of the Climate-KIC network operation scheme; Gathering potential development points; Testing with Pilot projects and Decision support for the implementation, and dissemination of results.

5.2.4 Global carbon calculator (DECC)

This is a unique opportunity for Climate-KIC to develop global-scale capability, solutions, and influence for global climate problems. It will enable Climate-KIC to: i) work with the world's leading experts and institutions on climate change, energy and land use to develop a Global 2050 Climate Calculator; ii) provide a flagship project for coordinated cross-platform research, innovation and education in global climate science.

The Global Calculator will be a simple, transparent model of global greenhouse gas emissions, energy and land in the period to 2050. It will be a highly visually engaging communications tool aimed at involving non-experts (including business leaders, NGOs and government officials) in the debate about how we should use the world's resources. It will allow the user to easily answer questions about how the global land and food system adds up, such as "what is the trade-off between land for bioenergy and food production?" and "what impact could population growth have on global energy demand and climate impacts?" This project provides the opportunity to work closely with global experts including the International Energy Agency, World Resources Institute, Chinese Energy Research Institute, World Energy Council, World Bank and UN Food and Agriculture Organisation.

The UK Department for Energy and Climate Change is providing €1000k (£810k) for this project. The Climate-KIC contribution would deliver: the land/bio/food and climate science analysis; the model user interface; and support for stakeholder engagement

5.2.5 Climate accounting

Climate-KIC aims to lead by example in climate-change mitigation and adaptation. WE will establish a framework to quantify the impact of our activities – in terms of contributions to climate change mitigation and adaptation. This can be done at 3 levels: 1. Climate-KIC's own operations; 2. Climate-KIC supported activities in education, innovation and entrepreneurship; and 3. the operations and activities of Climate-KIC's partners.

Level 1 will focus on climate change mitigation and will take the classic approach of establishing a 'greenhouse gas (GHG) footprint' followed by a carbon reduction policy coupled to offset projects to reach carbon neutrality. This has been trialled in 2012/2013, focussing on the GHG footprint resulting from the travel of the Executive Team, Governing Board and Assembly. This will be continued and extended in scope in 2014, in collaboration with members of the Climate-KIC GHG MRV platform.

We plan to launch Level 2 measurements in 2014. In preparation for this, Climate-KIC experts from the GHG MRV and Adaptation Services platforms will develop a 'Climate impact assessment framework' during Q3 of 2013. This will focus on:

1. Review of existing frameworks and methods for climate impact assessment
2. Definition of basic principles and key features of the Climate-KIC climate impact assessment framework
3. Gap analysis between suitable/relevant frameworks and methods, and the specific needs of the Climate-KIC assessment framework (based on 1 and 2 above)
4. Development of draft framework principles and main concepts
5. Consultation with the Climate-KIC Executive Team, all Climate-KIC platforms and selected Climate-KIC partners
6. Conclusion of framework principles and main concepts
7. Development of (up to 5) case studies covering different project categories and types

Following this, specific guidance and methodologies will be developed for each project category and type, and partners will be given support to estimate the impact of their Climate-KIC supported activities in 2014.

5.2.6 Massive Online Open-source Programme (MOOP)

The KICs acknowledge the challenge posed to traditional education practices created by free, online knowledge coupled with the growing demand for open access to education. The public are increasingly self-sufficient at locating knowledge, meaning that Universities no longer provide a safe house as the need for books and physical storage is reduced and the connectivity of top researchers and academics increased.

As such the development of online open source ware has been in development for a number

of years. Platforms such as Coursera and MIT Open course ware currently lead the way to more accessible learning. Universities remain as the only degree awarding bodies but with public demand power could shift away from embedded institutions, and Universities must be willing to move with the times.

The KICs, as Europe’s innovation hot beds, need to be a first mover in this area. With their unique network of partners spread across Europe the KICs are exceptionally well placed to deliver pan European content that is relevant in a high number of member states. Also with access to top companies, institutions, and knowledge experts the KICs can deliver material of an incredibly high quality. Thus we can be a first mover not just in the area of online materials but also in online programmes, and aim to create a fully online Masters that is delivered and awarded through virtual interaction. Combining the strengths of the three KICs we will deliver a Masters on Climate-related Energy Technology drawing content from InnoEnergy and Climate-KIC and technical expertise from ICT labs.

Massive Online Open-source Programmes are a game changing innovation in education. They challenge the authority of Universities, open up learning to everyone with internet access, and breach cultural and physical boundaries. This project has the potential to develop the EIT into a true European institute of innovation and technology, and will enable Europe to compete on a global scale

See more details of the MOOP program in Annex C6.2.7.

5.2.7 Innovation festival

The Innovation festival is traditionally held in the autumn and hosted by one of Climate-KIC’s regions, Valencia in 2014. The festival is the main event for the whole of Climate-KIC community to disseminate knowledge and to network in one place. As our community is organically growing, the festival will target start-ups, entrepreneurs and students who have benefitted from connecting with Climate-KIC. It also provided a showcase of Climate-KIC’s activities to the outside world.

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

5.3 Marketing and communication

Communications is a priority for Climate-KIC: internally to facilitate a cohesive community and externally to raise brand and content awareness and to have influence. Climate-KIC’s vision is to provide the people, products, services and leadership to address the challenge of global climate change. Still relatively new within the climate change space, the challenge for Climate-KIC is to firmly establish its position and reputation as an innovation leader for addressing climate change mitigation and adaptation – Europe’s innovation pipeline for climate change innovation.

Climate-KIC developed its communications strategy in 2012, and in 2013 launched the implementation of this, focussing particularly on the range of channels to be used for building brand awareness to generate business opportunities. For 2014, we are therefore well positioned to take a structured proactive approach to communicating and engaging with stakeholders - including the media, potential partners, EU policy makers and the climate change industry as a whole.

Additionally, Climate-KIC will develop strategic, tactical campaigns that can be activated to deliver against business objectives. At the same time, this activity will be supported by

partner and internal communications across Climate-KIC to further develop and strengthen community relations.

As Climate-KIC has grown and reaching out to wider audiences across Europe, there is a need to strengthen capacity within marketing and communications to facilitate, co-ordinate and execute the strategy. Therefore 2014 proposed a stronger, more formally organised, communications team across Climate-KIC’s European hubs and pillars to provide the expertise to deliver Climate-KICs vision.

A summary of communications and marketing activities is given below. A draft timeline for 2014 is given in annex xx.

5.3.1 Events, PR media

These will include: Events roundtable discussions with European and community experts;; PR campaigns on policy issues targeted at European stakeholders and activities to raise awareness of the Climate-KIC brand such as a video competition; media relations – creating position statements and thought pieces on climate change topics to raise awareness of Climate-KIC, placement of articles; Media training for key Climate-KIC spokespeople

5.3.2 Marketing

Marketing activities for a range of audiences will include: Exhibitions – space at industry events and EIT conferences; Printed materials such as flyers, leaflets, yearly review, banners; Photography for all communications channels – location photo shoots; Merchandise for events; Partnership induction pack – digital and printed; and Climate-KIC Templates

5.3.3 Digital

Website and social media – on-going development; Online campaigns – supporting PR and marketing activities – pushing traffic to Climate-KIC; Creating films; Monitoring; Enewsletter development and distribution costs; **5.3.4 Internal communications**

Internal community campaigns – based on themes (platforms); Annual staff showcase event; CEO and local monthly newsletters; Communications clinics and workshops on branding, blogging, digital campaigns; Annual Innovation festival promotional; Staff and partner induction; On-going development and user engagement of community hub; Marketing materials and coordinating European wide events

5.3.5 Communication team

The central team (see figure 4) will comprise 8 members and will focus on: a) internal support for the local CLC/RIC and pillar communications officers, for example in regards to corporate identity; and b) external marketing and communicating on Climate-KIC to its target audiences across Europe including - including the media, potential partners, EU policy makers and the climate change industry as a whole.

The central communications team will meet on a monthly basis, normally by videoconference. The full communications group will meet formally on a quarterly basis, with more frequent video interactions. The Head of Communications will present a quarterly update to the Executive Team. The central team will have monthly team meetings to focus on forward planning and reviewing results.

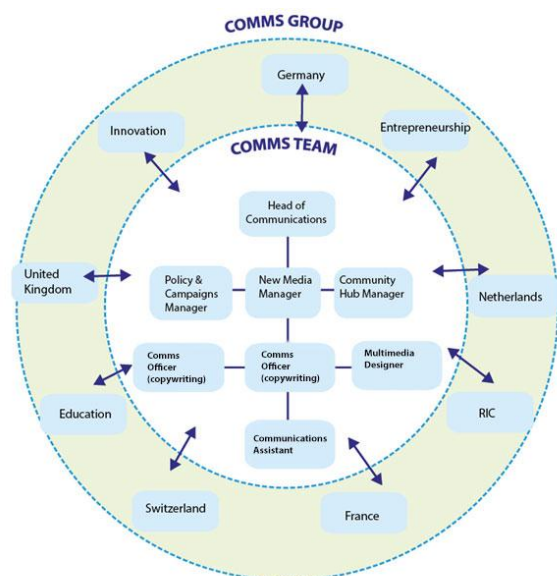


Figure 5: Communications team

Key deliverables:		
• KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

6. Central Co-ordination

6.1 Central Office

The central office is located in London. Currently in 2013 it is on the South Kensington campus of Imperial College London, one of the Climate-KIC core partners. However, in November 2013 the office will move to rented premises close to Kings Cross St Pancras rail station. This will provide much better professional accommodation, independent of any partner and close to a climate-friendly transport hub. The central office team comprises the CEO, CCO, CFO and their staff. The team is lean, fit for purpose in order to manage and coordinate the activities of the Climate-KIC community, manage the devolved functions of CLC and pillars and the external relations of our KIC. Also located in this office are the central Communications and central Education teams.

6.1.1 Strategic management

The central office team has been boosted by the appointment of a Chief Commercial Officer to oversee commercialisation issues and KIC sustainability, and a full-time CFO to oversee all financial staff and processes. In addition, promotions of talented staff within the office have enabled the roles of Chief Strategy Officer and Executive Manager to be created, to ensure that Climate-KIC has the structure and processes (see annex XX) to be fit-for-purpose as we step up to 2014. Key developments that are already in progress and will be fully implemented for 2014 are:

- Sufficient (junior) support staff to release senior staff for their higher level roles, including financial services and data collection/analysis for increased reporting requirements of EIT (3FT)
- Posts to build the team of the Chief Commercial Officer and to support the Chief Finance Officer
- A motivated workforce: training opportunities for staff development
- An efficient work environment: sufficient, detached office space
- Business process optimisation – a review of all Climate-KIC’s processes, with action where needed
- Legal and governance optimisation – a review of all documents (KIC LE) in light of revenue generation and joint/aligned HR structures. Consideration of the Climate-KIC legal entity and whether a new entity might be more appropriate at this stage in the KIC’s development.

6.1.2 Governance

Climate-KIC has developed a strong community of over 180 partners based in 11 European countries. The Climate-KIC legal entity is a Dutch Association, with Executive team, Governing Board and Assembly). The Executive team meets for 2 days each month, while the Governing Board meets 6 times per year and the Assembly twice per year. In addition, the community comes together for a series of strategic discussions and meetings involving the representatives of the partner community (Strategic retreat, Affiliate partner meeting, etc.).

Key deliverables:		
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KPI:		
Budget request:		
Total: XX €	KAVA: XX €	Of which EIT €

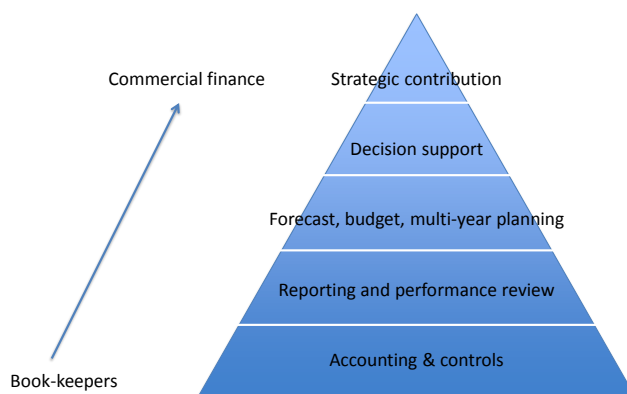
6.2 Financial management and legal compliance

As noted above, the increasing size of the KICs year-on-year makes it essential that the KIC structure and processes are fit-for-purpose. We have hired a full-time CFO tasked to establish and maintain finance at all levels from basic book-keeper to commercial finance support as summarised in the levels of the pyramid below (which can be thought of as the finance equivalent of Maslow's hierarchy of needs).

Our CFO's assessment of our current position is that there are two key business opportunities for finance:

1. Develop the finance infrastructure to deliver growth and accountability; and
2. Save €4m p.a. in our financial relationships with core partners.

Finance role



Finance infrastructure to deliver growth and accountability

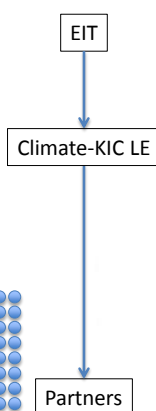
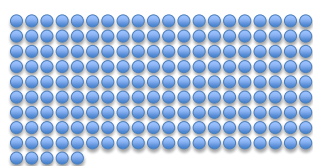
Our finance infrastructure does not adequately support our business goals, with one key change proposed that drives material change in finance systems and practices.

At present we route all partner payments through a single bank account with all payments being approved by the CEO. As summarised below, this is a classic method for central control to choke excess spend and manage decline. It is a poor way to manage a growing organisation and to develop a devolved accountability culture as we intend, hence we propose to route cash to partners and projects via the CLCs and RICs as they have the local knowledge and accountability for managing projects.

Business change to drive finance transformation

Current cash routing

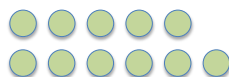
Constrains growth
Partner funding choices don't adequately reflect partner knowledge
MR controls payments to 185 partners
We seek approval from partners to spend our own money



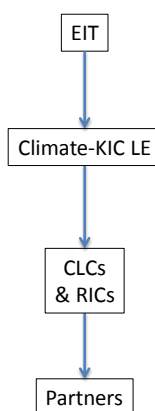
Proposed cash routing

Puts accountability for cash transfers to partners with account managers

Classic rapid growth model devolves accountability to independent business units



We pay our own spend direct from our own bank account



This is a simple and powerful business change that drives a number of key changes in our finance infrastructure and practices:

- Systems - we will introduce a cloud-based integrated general ledger, grants management, procurement and HR system so we can control, monitor, report and review our own spend on a regular and timely basis. We will begin work in the remainder of 2013 and implement in 2014.
- Corporate structure – we will set up an appropriate legal infrastructure so that Climate KIC entities in individual countries can function as normal business units.
- Bank facilities– we will establish payment facilities for CLCs and RICs to control payments out (and receive payments in) while pooling bank balances across all of Climate KIC to maximise interest earned.
- Controls – we have good tactical controls in place already and we will use a monthly bank reconciliation process to close the loop between general ledger(s) and bank account(s) for Climate KIC as a whole and for each CLC and RIC individually.
- Business review – with authority to spend comes accountability and we will establish a monthly financial review process with CLCs and RICs to monitor partner and project prospects; current project status and performance; own spend and establishment (KIC FTE); and routes to climate change impact.

These changes to our finance infrastructure and practices enable us to grasp the €4m p.a. cost reduction opportunity discussed below.

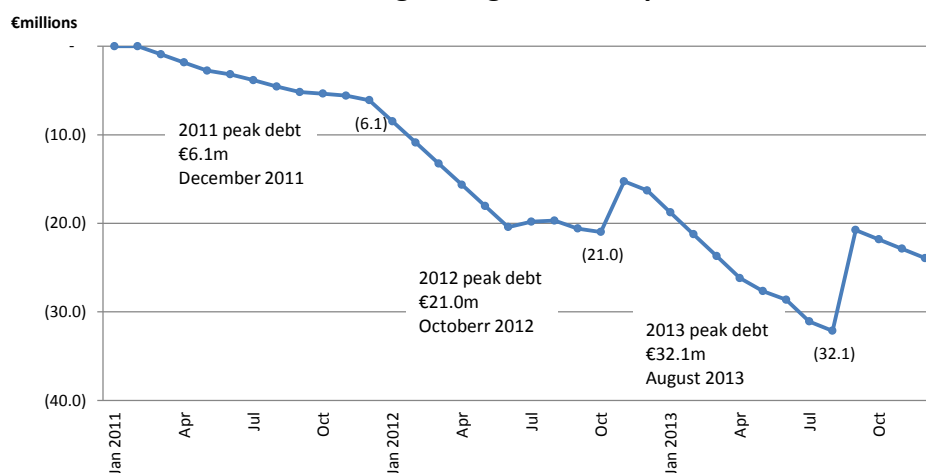
To be a partner is to lend us money

Partners are at the core of our business model and, in financial terms, to be a Climate KIC partner is to lend money to Climate KIC. The average partner is paid seven months in arrears and we have never ‘pre-financed’ in the correct meaning of the word. As shown in the chart below, we estimate that Climate-KIC debt will peak at €32m in 2013.

Our debt problem is getting worse. Our debts grow as we grow and the annual peak debt is coming earlier each year. With no change in business model, we estimate that we will hit a new debt peak of €55m in 2014.

In order to be able to borrow money, we have had to focus our key partnerships on patient, cash-rich organisations. We will ultimately fail to fulfil Climate KIC’s potential while we have to select partners for their bank balance, not their climate change potential. Moreover, our existing partners are restless about our growing debts to them and increasingly unwilling to continue to fund our working capital (as we are experiencing with Imperial College and Potsdam already).

Climate-KIC's growing debt with partners



A related issue concerns project and partner management for the pillars, where we are unable to demand timely updates when we are so negligent in paying. The people we engage with in projects are less likely to see the benefit of lending us money that their finance people do. We turn to this next.

Wasting money to borrow

Borrowing money always comes at a price and in our case it is the indirect cost charges on Climate KIC's own spend. We get partners to pay Climate KIC's own expenses (e.g. staff, offices, utilities, IT, marketing and communications) because we are unable to guarantee to pay staff and suppliers in a timely manner ourselves. Core partners charge us a 40% handling fee for doing this. This is costly and wasteful:

- Costly - we estimate we are currently paying the equivalent of 104% interest rate to borrow from our core partners. Bank loan rates are 6-12% and credit card borrowing is 20-40%. We are getting loan shark rates. The indirect cost rate reduction to 25% from 2014 amounts to paying a 39% annual interest rate; this reduction does not solve this excessive interest rate problem.
- Wasteful – we are spending c.€4m to pay partners to lend us money instead of increasing our climate change impact.

Moving Climate KIC finances to a sustainable position

We could grasp sustained opportunity to save over €4m each year and increase our sustainable impact on climate change with:

- One-off funding acceleration to eliminate debts – estimated to be €24m at end-December 2013;
- One off forward working capital funding - €19m in 2014 (based on three month's working capital); and
- Monthly cash draw facility of €6.25m in 2014.

We kindly request these changes to our payment terms to be able sustainably to deliver on our objectives.

6.2.1 Central finance team and finance systems project

The central KIC finance team is headed by the CFO, based in London. In addition the finance team in Utrecht oversees financial all reporting and liaison with the EIT. Overall the finance team is tasked with financial operations, reporting and compliance with applicable legal and internal provisions. The team works under the direction of the CFO who also chairs the KIC Financial Committee, a body with representatives from all CLCs, RIC Regions and pillars. The finance systems project outlined above will report in to the CFO.

6.2.2 Financial implementation cost

The current EIT requirement of a bank guarantee continues to pose a major challenge and liability because it effectively locks a substantial share of the available pre-financing until the GA cost report is approved which can easily be 1.5 years after the start of the relevant calendar year. These costs will be mitigated if our sustainable funding proposal above is enacted. The activity also includes the audit costs for the Climate-KIC community.

6.2.3 Legal structure

Climate-KIC uses Farrer and Co, London for all legal matters with the exception of advice on specific issues of Dutch law where Houthoff, Utrecht is used. Farrer have supported Climate-KIC from the simplification project (December 2010-February 2011) onwards. They have provided excellent professional support and since Climate-KIC was introduced to them via Imperial College London, Farrer offer their services with the same 10% discount that they also offer to Imperial. This activity consists of the legal cost of Climate-KIC including the

management and coordination of the IP Board.

Key deliverables:		
<ul style="list-style-type: none"> • Integrated finance and grants management system for timely and transparent control and reporting • Up to €4m p.a. own spend cost savings if sustainable financing proposal is delivered 		
Budget request:		
Total: 1,500,000€	KAVA: 1,500,000€	Of which EIT: 1,500,000€

6.3 ICT management

Climate-KIC's portfolio of ICT infrastructures and business applications is growing significantly and will continue to do so for the next couple of years as the user community grows and internal administrative processes mature.

6.3.1 ICT infrastructure and management

The main strategic directions for the ICT area in 2014 are:

- Development and Implementation of a unified ICT strategy including streamlined governance and security policies, centrally managed services, data integration and a coherent ICT application architecture.
- Operation and continuous development of our new Community Hub (corporate social network)
- Seamless video conference tools made available and supported for all community members.

Continuing activities for the central ICT team include development, operations and support of our new Community Hub, CRM tool (Salesforce), internet and email services, and (enhanced) ePresence services. New activities include a.o. establishment of centralised user support and streamlined ICT vendor management services, internal governance and security procedures, new functional requirements identification and data architecture project.

Central ICT will manage ICT applications so that operations, integration and strategic development of all Climate-KIC ICT infrastructures and applications will be professionalised, with an intention to maximise cost-effectiveness and improve end-user support. To accommodate for this the central ICT team will be strengthened, from currently 1.0 FTE to 2.0 FTE.

Key deliverables:		
<ul style="list-style-type: none"> • Operation, support and development of KIC ICT infrastructures, tools and services • Development and initial implementation of unified ICT strategy 		
Budget request:		
Total: 512,679 €	KAVA: 512,679 €	Of which 512,679 €

D. Near future outlook

- Some of our start-up companies that were formed a few years ago are now showing strong potential in both value and climate impact. Their next development steps are extremely important and need to be actively supported. We are therefore allocating substantial time and energy from some of our executive team to maximise their chances of success.
- We are increasing our focus on portfolio management across both entrepreneurship and innovation. Now that we have been working with start-ups and projects for a few years, we believe that it is the appropriate time to increase our discipline regarding assessing where we are spending money. We are therefore pruning our portfolio of activities in a rigorous manner, whilst aiming to be mindful and respectful of people's emotional engagement and relationship with us.
- We believe that our original decision to be structured as a confederation has served us well in generating a board and rich spectrum of opportunities for us. However, this has had side effects in making our legal framework somewhat cumbersome, both with regard to our partner agreements, and potentially our main legal incorporation. We are therefore currently undertaking a full review of our legal document suite and options for incorporation, with the aim of having upgrades implemented by early 2014.
- We have launched a new series of thought leadership events, which will be hosted at varying locations across Europe. These are focusing on contentious issues where we put together leaders in the related field, with the agenda of providing more visionary solutions to specific problems. Our first debate in September 2013 dealt with carbon trading systems, on a European and international basis, and how these could operate best to maximise positive climate impact. We expect these events to raise our profile, and build our brand. We also consider that they should gradually encourage more applications into the Climate-KIC, encompassing all areas of education, entrepreneurship and innovation.
- The Climate-KIC has a wonderful network of prestigious University partners. However, we are now re-examining and exploring selected high quality University partners which could add disproportionate value in intellectual property, and possible innovation projects.

Key messages:

- Financial sustainability (income, potential review of legal status)
- International collaborations
- Knowledge management (dissemination and outreach)
- Climate impact (own, community and measurement outside)

Budgets ought to be challenging and we believe this budget is just that:

- For Climate KIC to continue grow rapidly while becoming more efficient and business-like in its operations; and
- For EIT to grasp the opportunity to eliminate €4m p.a. waste and put our partner relationships on a sustainable financial basis.

Looking ahead, continued growth and delivering impact for the vitality of the European economy and the climate will drive our development. We expect the following themes to figure more prominently in our 2015 budget and beyond.

Geographic expansion – we will want to extend our footprint and account management

capability, both in new countries and to deepen our presence in Europe's economic centre of gravity running from London through Benelux, western Germany and Switzerland to northern Italy.

Delighting partners – we will need to continue to grow our partner base and make it easy to be a partner. We will have to make our partner experience delightful and less legal. Right now we are like to opening an Ikea flat pack box and we want to be like opening a MacBook Air box.

Supporters – our community focus will extend from partners to supporters as we begin to have more individuals and organisation that have 'graduated' from Climate KIC than we do currently working with us. We will be implementing supporter journeys to inspire and engage supporters to remain committed to climate change opportunities and Climate KIC itself. We will offer supporters opportunities to donate time, money and voice to support us and our goals. As such, we will start to need direct marketing skills we do not currently have.

Thought leadership – we will need to be seen to set the climate change agenda in Europe without becoming a campaigning organisation, leveraging our integrated knowledge of making a difference to stand out as an authoritative voice for climate change.

Income sources – we will develop alternative income sources from individuals and corporations as our proposition coalesces and our reputation grow.

We're going to make the world a cooler place.

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Annex I - KIC added-value activities planned for year N

Section of the KAVA information sheet (about 2-3 pages)	Description/content/examples
1. Title of KIC added-value Activity and alpha-numerical reference	Please provide unique name for each KAVA, identical to the Item title in the estimated budget.
2. Title of the Area, Segment (if applicable)	For each KAVA it shall be identified to which Area and Segment (if applicable) it belongs to.
3. Expected outputs of the KIC added-value activity	Short summary of the key outputs of the KIC added-value activity.
4. Description of the KAVA work plan	Description of the scope and content of the work planned within the KAVA specifically for year N. Where applicable, the scope for the year N shall be also clarified by explaining how this KAVA builds on the results achieved in previous years, as well as how it will be taken further in the future.
5. KIC partner acting as activity leader and other KIC partners involved	Listing of the partner(s) and brief description of the specific role of each partner involved and of their integration for the implementation of the activity in year N.
6. List of deliverables	Listing of the expected deliverables of the KIC added-value activity in year N.
7. Key assumptions on the estimated costs of the KAVA	Description and justification of the underpinning resources needed for the implementation of the KAVA activity for Year N. Estimated costs of the resources shall include, when applicable, Personnel (FTEs), Personnel related cost (incl. travel, subsistence, indirect cost), Equipment, Subcontracting, Financial Contributions to Third Parties and any other main cost relevant for this activity. If applicable, the use of actual/simplified cost methodologies (i.e. flat-rates / lump sums) shall be explained.
8. Complementary Activities inter- related	This section shall identify KIC complementary activities to which these KIC added value activities relate to.
9. Web Page	Please indicate, if available, the link to a web-site page that describes this activity.

Annex II – Climate-KIC Complementary Activities (KCA) planned for 2014

Annex III – Climate-KIC ESTIMATED BUDGET FOR YEAR 2014

Annex IV – Key Performance Indicators (KPIs)