EIT Climate-KIC Business Plan 2019

14 December 2018

Version 3

www.climate-kic.org

EIT Climate-KIC is supported by the
EIT, a body of the European Union

EIT Climate-KIC Business Plan 2019 – submitted by the EIT Climate-KIC Community

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Glossary of terms

The following terms are used in this business plan to describe different facets of EIT Climate-KIC:

- **EIT Climate-KIC**: used alone, refers to the entire knowledge and innovation community of organisations acting to tackle climate change through innovation.
- **EIT Climate-KIC Association**: group of over 30 Core Partners, which together form the Association, the 100% Shareholder of EIT Climate-KIC Holding B.V.
- **EIT Climate-KIC Holding B.V.**: the parent legal entity of the EIT Climate-KIC Group and the party to the FPA and SGA. **The EIT Climate-KIC Group** consists of the B.V. and its subsidiaries in different countries, which employ members of the EIT *Climate-KIC Team*.
- **EIT Climate-KIC Community**: when using the capitalised version of Community, we refer to the group of organisations who have entered into the EIT Climate-KIC Community Agreement. When we refer to community as non-capitalised, this can invite a wider interpretation and not necessarily refer directly to the EIT Climate-KIC Community.
- An EIT **Climate-KIC Partner** (often just Partner) has accepted the Community Agreement and been 'on-boarded' by the EIT as eligible to participate in the EIT grant. When we refer to partner*s* – non-capitalised – this can invite a wider interpretation and not necessarily refer directly to EIT Climate-KIC Partners.
- **EIT Climate-KIC Team**: refers to the people employed through the EIT Climate-KIC Group and not those employed through EIT Climate-KIC Partners.

Note: **KAVA** and **KAVA Area** refer here to KIC Added Value Activity and KIC Added Value Activity Area.

A. Executive summary

'*Preventing catastrophic climate change and achieving the 'well below 2°C' Paris Agreement target requires a speed of decarbonisation at least six times faster than anything the global community has achieved so far. Time is running out. Continuing to work through gradual, incremental changes will not be enough. We need innovation, and at this stage we need innovation to stimulate a fundamental transformation of economic, social and financial systems that will trigger exponential change in decarbonisation rates and resilience to climate change.*' This is a message from EIT Climate-KIC's Theory of Change; one we presented in our EIT-BP2018 submission. Since then, the urgency has been further amplified by Europe's emissions going up, not down in 2017, and new evidence to suggest Europe will need to reach net-zero emissions by 2035 to achieve the more ambitious 1.5°C international target[1]. A child born in Europe today will need to live a zero-emission life by the time they leave school.

A1. Our multi-annual strategy and Theory of Change

As set out in our 2016-2022 Strategic Agenda, EIT Climate-KIC's aim is to become a climate innovation movement that can instigate and catalyse transformational climate action and breakthrough innovation at the systems level. Our common ambition is to create ***a prosperous, inclusive, climate-resilient society with a circular, zero-carbon economy***[2], where our long-term impact is to achieve deep decarbonisation and strengthen climate resilience through innovation. We want to be at the forefront of making zero-emissions life possible.

A snapshot of our community

EIT Climate-KIC's 350 **Partners** work together across our six **Geographies** and RIS programme. Our Geographies are BENELUX, Central and Eastern Europe, DACH, Mediterranean, Nordics, and UK and Ireland. Partners come from 25 European countries including 12 RIS countries and focus on EIT Climate-KIC's 12 Impact goals.

Through our EIT-BP2018 and in the update to our Strategic Agenda we laid out a strategic direction and a set of proposals based on a Theory of Change to guide our action towards the well below 2°C target. This direction includes: (a) aligning around 12 climate innovation impact goals to focus the attention and resources of our community (**Impact Goal Framework**); (b) setting out impact pathways for 2020, 2022 and 2030 that build on seven years of experience, and demand each of our activities to focus on impact (**Scaling along Transformational Pathways**); (c) building capability in systems innovation including introducing a 'portfolio' approach to the selection, management and evaluation of projects and ideas so that we can unlock change through a spread of diverse initiatives experimenting with alternative solutions and acting on multiple leverage points (**Systems Innovation Capability**).

EIT Climate-KIC Strategy Terminology

Impact Goals: EIT Climate-KIC's 12 climate innovation impact goals focus the attention and resources of our community.

Portfolio approach: Our impact goals are interlinked, and our activities are often interdependent - achieving success in one of these goals will often require transition along the pathway of another. Taking a portfolio approach gives us the possibility to learn fast and reduces the risks that come with transformation. A portfolio approach means supporting many different initiatives as a spread of options to explore alternatives and connections and test our way forward. Such an approach is important given the uncertainty of the changes we face, and offers a diversity of inputs that accelerates learning, so helping us to see what can work in unlocking change. The portfolio approach enables us to map synergies and to maximise our contribution to Europe's overall 2050 climate change and energy roadmap.

Experiments: We monitor, evaluate and learn from our activities as if they are experiments, to understand not only the direct outputs and outcomes, but also the unexpected results and wider impact. Learning by doing enables action: experience and exploration across multiple, connected demonstrations can generate alternative business and industrial models and create options for choice and momentum.

[1] https://climateactiontracker.org/countries/eu/

[2] This ambition is designed to echo the Sustainable Development Goals. *Prosperous* highlights that there is no contradiction between tackling climate change and creating jobs. *Inclusive* implies giving citizens agency to appropriate this agenda. *Resilience* points out that even a 1.5°C temperate rise will create significant climate change adaptation challenges. *Circular* states that inputs are the re-use of existing materials or renewables and outputs are biodegradable. *Zero-carbon* points to the radical change that needs to take place if we are to protect the climate.

We received positive endorsement from last year's reviewers for our revised approach and have been implementing it in 2018. Key highlights include:

a) Impact Goal Framework: Aligning our community around 12 Impact Goals.
- Utilising the collective intelligence of our community to co-create 'Impact Plans' for each goal.
- Engaging a new set of complementary community members to take action in these key areas, bringing our Partnership to over 350 while maintaining balance and geographical diversity.
- Supporting five pan-European orchestrated ecosystems, nearly 10,000 participants in our education courses including 400 new climate entrepreneurs, nearly 200 new start-ups and over 60 innovation opportunities: representing successful interventions to support climate innovation, as well as experiments that we can learn from in terms of impact created.

b) Scaling Support: Introducing key mechanisms that enable innovation to scale.
- Shaping a programme for ROI across our entrepreneurship activities and an impact fund to be rolled out in 2019.
- Building on relationships with key multi-national partners and international foundations who share our vision for impact (e.g. Mission Innovation and the Government of Slovenia)

c) Systems Innovation Capability: Building our capacity for scientific co-ordination at a portfolio level.
- Further strengthening our grant administration function to increase efficiency and precision, focusing efforts to make all our funding count.
- Designing a robust information architecture and monitoring, evaluation and learning approach that offers leadership to those striving for the systemic change envisaged in *Horizon Europe*.
- Aligning our financial sustainability approach with our impact objectives, securing non-EIT funds across several areas and developing a set of new high-profile relationships.

Knowledge triangle integration (KTI) for societal impact. *Through our impact goal framework, EIT Climate-KIC's 2019 activity is designed to address the non-linear, long-term, complex and systemic challenges that characterise working on climate change. The KTI relationship promotes an intensification of innovation capacity by: (a) creating more opportunities for KTI actors to jointly consider strategic innovation priorities and develop projects together; (b) exchanging learning and experiences; (c) growing climate innovation ecosystems together; (d) applying a combination of education, entrepreneurship and industry innovation to climate change challenges across multiple areas; (e) integrating education more deliberately across the entire portfolio; and (f) fostering cross-border collaboration and an amplification of cognitive and social proximity within and across regions, and across Europe. Our model deliberately integrates public problem-owners like cities into the community so that we are also able to shift underlying assumptions, leveraging the benefits of KTI.*

A2. Our working plan for 2019-2020

We are very aware that 2019 will likely represent the peak of EIT's financial support for EIT Climate-KIC. We want to make 2019 count more than ever by investing in a series of key assets to maximise our chances of long-term financial sustainability and ramp up our efforts to catalyse transformational change. We invite EIT to demonstrate leadership on climate action and provide a signal of commitment to the systems innovation model called for in Horizon Europe, by **increasing** funding to EIT Climate-KIC in 2019.

With **€90m**, we will grow a portfolio of activity to foster interconnections and synergies across our impact goals that work together to unlock change across value chains and whole systems (e.g. providing professional education to enable cities to unlock finance and accelerate low carbon technology for decentralised energy and deep retrofit, or engaging in circular economy policy platforms whilst building relationships with large corporates to shift business models). We will take the best that Europe has to offer and leverage it towards common goals, to create impact effects at the scale and speed necessary to tackle climate change.

Building on our work in 2018 we will continue to develop a best-in-class **systems innovation capability**, to enable EIT Climate-KIC Holding and our community to constantly adapt our portfolio to maximise impact. This takes a powerful monitoring, evaluation and learning function (KAVA 6.1.1), ready to use evidence to support real time learning and adjustment. It requires a mix of research into our historical portfolio around each impact goal, and cutting-edge horizon scanning for breakthrough innovation (KAVA 6.1.3). It needs internal alignment and capability building in systems innovation (KAVA 6.1.4). It also requires our financial sustainability approach to fully align with our impact goals and Theory of Change (KAVA 6.1.2). In 2019, we will also pivot our project 'call and selection' approach from one that is currently programme-based to one that selects projects based on the impact of the portfolio as a whole (see Annex A).

For 2019, we will be guided by the Impact Plans co-created with our community to fully align our **Impact Goal Framework** across all our Area, Segments and Activities. This includes:

- Area 1 Ecosystems and Community: Collective insight, community experiments and orchestration of Climate Innovation Ecosystems to bring together stakeholders for impact across Europe.
- Area 2 Innovation: Building on the success of existing innovation projects and coordinating new projects that target key interventions within impact goals.
- Area 3 Entrepreneurship: Closely aligning our business creation and scaling mechanisms so that start-ups benefit from the learning across the impact goals and breaking down market barriers.
- Area 4 Education: Utilising our successful education programmes to stimulate climate entrepreneurship and building capacity in key impact goal-based stakeholder groups (see Learning Hub section C1.8)
- Area 5 Dissemination and Outreach: Targeted campaigns across our impact goals that attract key stakeholders to engage in our approach to systems innovation, extending the insight and learning from across EIT and non-EIT funded programmes.
- Area 6 Systems Innovation Capability: Utilising the collective intelligence from our community, horizon scanning across a broad innovation ecosystem and learning from our portfolio to shape and focus our activities and attract funding by demonstrating a track record of creating impact and shared interest.
- Area 7 EIT Regional Innovation Scheme: Building on the strengths around key impact goals within regions to focus attention and resources.
- Area 8 Management: Creating the conditions for the successful and comprehensive delivery of all EIT Climate-KIC Impact Goals.
- Area 9 Cross-KIC Scheme: Collaborating on key areas of synergy with sector-based KICs.

Fig 3 (section C) illustrates this approach using the example of Impact Goal 7.

Our activities span the European landscape and are brokered, co-created and coordinated by distributed teams based in our Geographies, RIS programme and their associated innovation hubs. This helps to ensure we draw on the best that Europe can offer.

We will in 2019 implement systems and processes to transition to a multi-funder community and to ways of working that support a fully integrated portfolio approach, based on proactive, evaluative learning. This is especially true for strategy, people and corporate communications (KAVA 8.1.1), finance (KAVA 8.1.2) and operations (KAVA 8.1.4). Additionally, we will invest in improved telepresence to minimize our collective carbon footprint and travel costs, and we will bring in an Enterprise Resource Planning (ERP) system to drive through efficiencies (e.g. KAVA 8.1.8). Overall, we are actively managing overhead costs to ensure we are lean, while enacting the collective decision of our community that EIT Climate-KIC Holding will take on the role of a *backbone* organisation; one that convenes, connects, mobilises and enables learning, building on the last seven years, to maximise the collective impact of a diverse, powerful and fast-growing community addressing the challenge of climate change and the market failures associated with it.

We will continue to develop the Climate Innovation Summit to facilitate visibility for climate impact (KAVA 1.2.2), ClimateLaunchpad to maximise the flow of ideas (KAVA 3.1.8), and Climathon to engage a global audience (KAVA 5.1.2); building them into truly global brands, setting the basis for international visibility of EIT and EIT Climate-KIC, and building sponsorship revenue. Together with our leadership of cross-KIC outreach (Area 9), this creates an opportunity for EIT Climate-KIC to promote the EIT Community on the international stage and become a leading exporter and exponent of the KIC model.

These activities deliver the outputs and outcomes that create impact across our 12 goals (Table 1.)

Table 1: Key 2020 outputs, 2022 outcomes and 2030 Impact Goals

Impact Goal	2020 Output Target (e.g.)	2022 outcomes (e.g.)	2030 Impact Goal
Goal 1: Promote retrofit and decentralised energy	20 European districts engaged, two as recognised decentralised energy pilots and two deep retrofit related solutions upscaled from buildings. New standards supported, 10 later- stage projects, 10 promising start-ups, 100 decision-makers educated, knowledge for finance published and disseminated.	10 cities transition to building- and district-scale energy production with €200m of redevelopment investment in retrofit.	Drive a significant increase in urban retrofit rates and enable district-scale clean energy production, paving the way for deep cuts in emissions.
Goal 2: Create green, resilient cities	An interconnected pan-European NBS Innovation Ecosystem with 5 cities actively applying integrated NBS approaches and NBS embedded into 3 district and city plans. A NBS scaling pathway with at least two large property owners working with up to 5 NBS start-ups accelerated to be market ready. Up to 50 city leaders and urban decision makers educated on adaptation strategies and NBS.	Enabled 10 cities and 3 large property owners to design habitable and resilient urban spaces through the deployment of NBS.	Harness the force of nature in infrastructure design to build liveable climate-resilient cities.
Goal 3: Accelerate clean urban mobility	Up to 5 cities actively demonstrating shift to sustainable urban mobility, and up to 2 cities demonstrating how to reduce the need to travel.	Enabled up to 10 cities to shift towards sustainable urban mobility and to reduce the need to travel.	Trigger the switch to clean urban mobility to achieve considerable cuts in urban transport emissions.
Goal 4: Make agriculture climate-smart	20 CSA solutions developed, implemented or scaled via projects or through start-ups. 50 demand-side actors (corporates, farmer co-ops, start-ups) actively engaged via projects. 4 regional CSA hubs established. 15,000 people reached and educated via CSA MOOC.	CSA solutions identified, catalysed, deployed and scaled.	Instigate a substantial increase in the application of climate-smart agriculture solutions
Goal 5: Reform food systems	Global Life-Cycle Analysis (LCA) platform running for major agricultural commodities. Metrics and circular economy waste solutions investigated with 5 cities. 3 future-proofed protein supply chains with innovative solutions scaled through large corporates. 100 systems innovation change agents trained.	Food security and food system circular economy innovation catalysed and scaled in global supply chains.	Transform climate-damaging food value chains and enhance the climate resilience of food supply.
Goal 6: Nurture forests in integrated landscapes	6 projects bringing solutions to strengthen the market of wood construction and other bio-based products. 3 projects attracting non-EIT funding initiated to connect cities through integrated landscape approaches. Mobilised €50m for integrated landscape projects. 5 start-ups involved and supported in scale-up phase.	Wood and biomass market potential unleashed, and cities and major land owners engaged. Funding for integrated landscapes unlocked.	Grow carbon sequestration in forests and linked value chains, while avoiding deforestation.
Goal 7: Recast materials production	250 Stakeholders engaged in the eCircular Platform. 10-20 circular solutions developed, implemented or scaled. 3 Regions hosting a Circular Lab to accelerate the transition to circular businesses. 1 capacity building format piloted. Roll-out of challenge-driven innovation lab on circular material loops in 2 locations.	10-20 European cities per regional hub and 10 leading industry organisations committed to plastic prevention.	Catalyse a switch to a circular economy and transform production for fossil-energy intensive materials.
Goal 8: Reduce industry emissions	Report on decarbonisation transition launched at international policy event. 2 major industry stakeholders committed to long-term decarbonisation roadmaps. At least 1 science-based GHG transformational roadmap launched for high CO_2 industry.	Companies transform their businesses practices resulting in 2°C-compatible emissions reduction and social value.	Partner with key industry stakeholders in cutting scope 3 emissions to reach science-based targets.
Goal 9: Reboot regional economies	2 regions having taken decarbonisation actions in partnership with EIT Climate-KIC, supported with new business creation, innovation demonstration and capacity building.	Regions transitioning away from carbon-intensive jobs/economic growth. 5 concrete innovations have been shared and scaled between transition regions.	Transition carbon-intensive regions to become zero-carbon innovation hotspots.
Goal 10: Mainstream climate in financial markets	Viable research and development programme testing innovations that overcome complex barriers to sustainable finance created. At least 1 standard or policy to mainstream ambitious metrics influenced. Decision-makers educated. Thought leadership on systems innovation in financial markets.	Processes of top asset owners, managers, corporates include 2° compatible targets in investment and financial decision making.	Advance metrics, standards and instruments that enable transparent, true-cost and benefit accounting for a well below 2°C pathway.
Goal 11: Democratise climate risk information	Climate Risk Information activities firmly embedded into UN Disaster Reduction framework (UNISDR). >3 insurance innovations tested. Capacity building delivered to 500 participants. >2 public funders request open model access and interoperability. OASIS Hub self-sustaining, known as leading market place.	Urban, rural and health planners have access and knowledge to apply tools integrating climate risks into decision-making.	Enhance access to risk information through capacity building and a major expansion of the climate services market.
Goal 12: Foster bankable green assets in cities	150 cities involved in training and capacity-building activities.15 investors engaged in Flagship.10 projects supported by finance lab.	200 cities trained in low carbon city finance. €50m project finance mobilised by the lab.	Develop capacity in preparing projects and investment vehicles to boost the availability of sustainable investment assets in cities.

A3. Results and targets for delivery during 2019

In previous years EIT Climate-KIC has often exceeded its KPI targets. Performance in 2017 was no exception, and we are particularly showing strong and increasing indicators for investment in innovation and start-ups. We have also worked closely in 2018 to target KPIs that needed improvement, and our grant consumption rate is currently tracking above 97 per cent. Likewise, we have linked start-up activity more closely with innovation, and whilst our FS co-efficient is not yet at the desired level, we are making progress with executing the strategic approach we designed in 2017, as described in section C. We expect this progress to continue in 2019 and beyond, underscored by the 2018-2020 KPI targets in Table 3. We have also introduced 5 new KPI to inform our scaling activities (CKIC09-13) and 8 KPI associated with our management and staff learning (CKIC14-22).

Table 2: EIT and EIT Climate-KIC KPIs, past achievement and future targets (see footnotes[2])

Key: Strong green >25% exceeded target, light green exceeding target, light red missed target, dark red missed target >25%

Code	Targets[3]	2017 Actuals	2018 [4] target	2019 target	2020 target
EIT01	# Label Graduates	80	*66*	91	100
EIT02	# Start-ups by Label students	2	*3*	3	3
EIT03	# Products launched	82	*93*	105	105
EIT04	# Start-ups from innovation	2	*3*	1	5
EIT05	# Start-ups supported	266	*221*	311	170
EIT06	Investment to start-ups (€m)	187.8	*65.8*	61.8	140
EIT07	Success stories accepted	58	*117*	130	100
EIT08.1 (8.2)	# External participants in RIS	55	*75*	108 (84)	115
EIT09	Budget consumption	93.8%	*97%*	97.5%	98%
EIT10	Error rate	3.34	*1%*	1%	1%
EIT11.1	Total FS Revenues	2.65	*7*	*12.75*	*37.6*
EIT11.2	FS co-efficient (%)	3.7%	*7.6%*	14.2%	25.8%

Code	Targets[5]	2017 Actuals	2018[4] target	2019 target	2020 target
CKIC01[6]	Investment attracted. (€m)	215	*70.4*	164.3	180
CKIC02	# Innovation opportunities	67	*102*	76	75
CKIC03	# Cities and regions engaged	New 2018	*138*	522	170
CKIC04	KTI events	19	*56*	97	50
CKIC05	# Education participants	6,681	*2,921*	4,055	10,000
CKIC06	# Climate impact assess.	65	*69*	40	75
CKIC07	# Individual paid training	31	*50*	572	600
CKIC08	# social media followers (k)	New 2018	*151*	176	192
CKIC09	# Knowledge transfer	New 2019		23	30
CKIC10	# Prototypes Developed	New 2019		7	10
CKIC11	# Patent Applications	New 2019		0	2
CKIC12	# Patents Awarded	New 2019		1	2
CKIC13	# Publications Submitted	New 2019		16	20
CKIC14	# Business models valid.	54	31	28	35
CKIC15	Call and Select. Timeframe	New 2019		80	80
CKIC16	Partner engagement	New 2018	70	70	70
CKIC17	In-company training	New 2018	30	100	100
CKIC18	Staff turnover	New 2018	16	15	15
CKIC19	Total Gender mix	New 2018	60	60	60
CKIC20	Management gender mix	New 2018	50	50	50
CKIC21	Non-EIT funds secured (€m)	New 2019		12	18
CKIC22	Sec. for management (€m)	New 2019		1.4	2.16

A4. Success factors, risks and assumptions

To achieve our impact goals, EIT Climate-KIC recognise a number of key success factors and will actively manage a series of risks:

Financial sustainability: we are aware that we are near our peak funding from EIT both in terms of management costs and total funding. To sustain and increase impact at the scale and speed needed, we need to increase the funding available for activities delivered by the Legal Entities and the community as a whole. We are proposing in 2019 an increase in funding on 2018 levels to support this co-creation effort, creating strategic assets that will continue to build our financial sustainability for the long term. We also need to ensure the mechanisms are in place for delivery of these funds, so we are investing in: our people as agents of systems innovation; Enterprise Resource Planning software; the scaling of our new grant management system PLAZA to multi-funder grant management; embedding salesforce across our organisation.

Partner flight: Not all our partners share the interest in delivering impact along these goals and where we have partners with similar interests there will be greater competition for resources. EIT Climate-KIC will need to shift the partner model to one that provides incentives for partners to stay within the community to work on these key levers of change. We will introduce new value to our partner community in 2019 through our approach to community activation (KAVA 1.2.1).

Management: EIT Climate-KIC has stabilised its management structure, which has also translated into the progression of our Theory of Change into action and the adoption of the impact goals across the community.

Underspend: We have focused on grant consumption to provide reliable figures to EIT. We have introduced approaches in 2018 which will be continued in 2019 to support this effort.

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[2] KPI selection based on consistency over subsequent years whereby other KPIs were changed or removed.

[3] Targets are based on being able to produce the EIT evidence requirements within the grant year (some KPIs are likely to be claimed in future year(s)) where a project has been unable to complete evidence requirements.

[4] Targets based on the BP 2018 amend submitted 2nd October 2018

[5] Targets are based on being able to produce the EIT evidence requirements within the grant year (some KPIs are likely to be claimed in future year(s)) where a project has been unable to complete evidence requirements.

[6] CKIC01 is inclusive of investment attracted under EITN06 (from start-ups)

B. Principal achievements and lessons learned

B1. EIT Climate-KIC's achievements

From 2010 to 2018, EIT Climate-KIC has demonstrated how its continually maturing approach to knowledge triangle integration (KTI) has improved the EU skills base and created new businesses and innovation that have attracted follow-on investment and opportunities to scale. These businesses are generating products and services with potential for significant climate impact, and they are creating new jobs that look forward to a zero-carbon economy. In seven years, our partner community has grown to over 300 and we have leveraged €2.5bn of funding for climate innovation that brings together research, education and commercial models. We have supported over 1000 innovative start-ups and trained over 17,000 people. Our start-ups have achieved over €550m of investment and alongside the EIT Climate-KIC Community have launched over 350 products and services. In 2017 we were able to assess 25 of those products for their climate impact potential (i.e. the impact on $tCO2_e$ reduction that will be achieved as they reach their market potential). The assessment concluded that these products have the combined potential of saving over 910,000 tCO_2e/yr[7]. To give an indication of the impact potential of the portfolio, if we were to achieve the same average level, then the potential saving/avoided emissions would be 13,360,000 tCO_2e/yr[8]. As an indication of scale this would equate to over 1 per cent of the reduction of year on year emissions achieved by the EU since 1990[9].

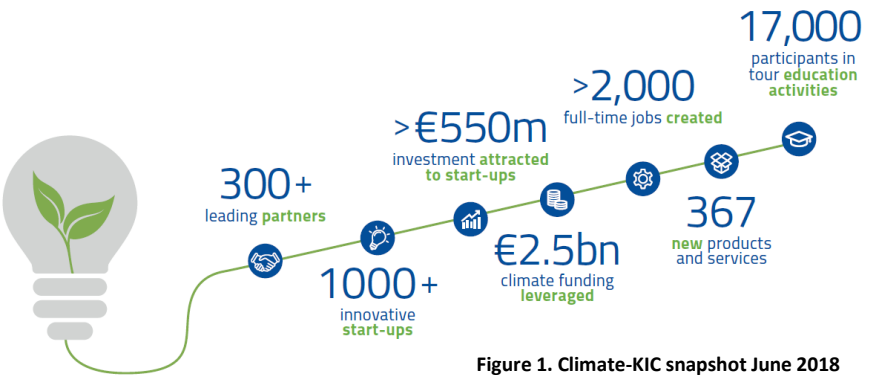

Figure 1. Climate-KIC snapshot June 2018

However, to achieve the Paris Agreement we know we need to do more and have therefore introduced our Impact Goal Framework. By taking a systems innovation approach focused around targeted impacts, we believe we can catalyse the market conditions for a multitude of solutions to achieve their full potential. We create new businesses, products and services that can achieve greater impact by working as a set of interdependent interventions, learning from one another, working on levers of change, and supporting knowledge, skills and new business models.

Figure 2 represents our partner and start-up network and shows how they are connected to each other through their participation in activities related to each EIT Climate-KIC impact goal. Since 2010 we have grown our network across Europe, bringing together key stakeholders tackling climate challenges. Each dot represents a participant; colours represent the types of organisation. In the centre of the portfolio map we can see the role that 'systems integrators' in our community play, connecting programmes and projects across goals and across geographies. The density of the map in this area demonstrates the maturity of EIT Climate-KICs approach to KTI: these businesses, higher education and research organisations are densely connected across impact goals supporting the emerging initiatives that are then represented by the start-ups, business SME's and large businesses that emerge in the outer ring, connected to a single goal.

The map also shows where we have created sophisticated relationships across our community to support the different types of intervention that are needed. For example, impact goal 2, the emerging area of nature-based solutions (see section C) shows a high proportion of start-ups creating new solutions, whereas goal 7 focused on recasting material production and circularity, is represented by larger businesses that are looking to shift business models. As a portfolio, we have established the network and ecosystem for a mature approach to KTI and have integrated cities and public bodies to create connections across goals and provide the test beds for innovation. We have also built capability in mapping and analysis within the EIT Climate-KIC Transitions Hub (KAVA 1.1.2), enabling us to see connections, identify gaps and shape better choices.

[7] Reinhard, J., Schweizer, M., Iten, L., & Spielmann, M. (2017) D1_CA_Framework_2.0_methodology description and review of results. Quantis

[8] Value based on an average climate impact potential from the 25 assed and multiplied by the number of new products and services developed. This is provided for indicative purposes. EIT Climate-KIC is in the process of conducting assessments across the broader portfolio to be able to use this as part of the decision making process.

[9] EU absolute reduction 1.279m tCO2e from 1990 levels. Source : https://ec.europa.eu/eurostat/statistics-explained/index.php/Greenhouse_gas_emission_statistics_-_emission_inventories#Trends_in_greenhouse_gas_emissions

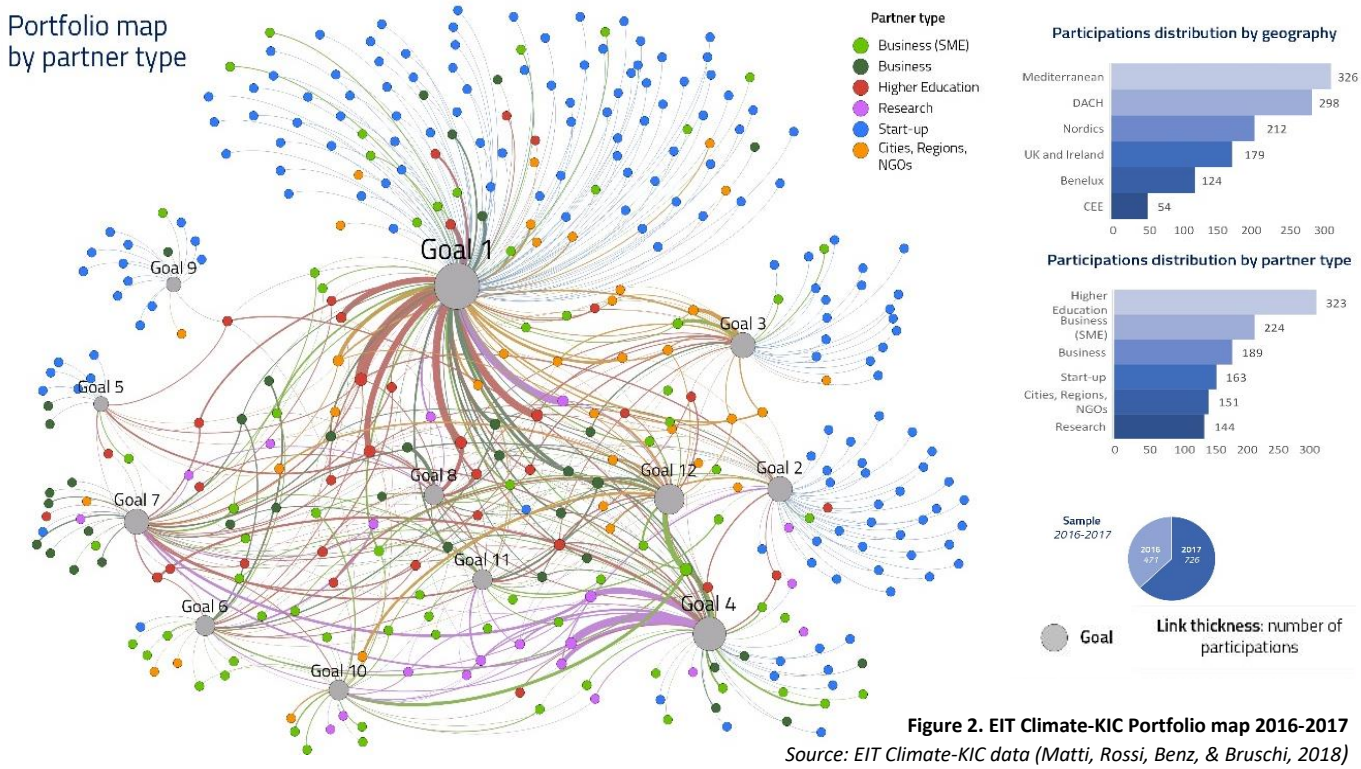

Figure 2. EIT Climate-KIC Portfolio map 2016-2017
Source: EIT Climate-KIC data (Matti, Rossi, Benz, & Bruschi, 2018)

Each link in our portfolio map represents participation in one of EIT Climate-KIC's activities. We are pleased with the progress made in many areas where we see outputs that begin to gather momentum to create the outcomes needed to deliver impact against our goals. Examples (from the last 18 months) include:

Game changing technology in Goal 1: in October 2017, the EIT Climate-KIC-supported project 2ndSKIN was piloted in 12 apartments in the Netherlands. The pilot was so successful that the refurbishment is being **implemented in 180 apartments in 2018.** Likewise, the start-up ChillServices has developed a service/product that saves around **3 to 5 per cent CO2 emissions** from cooling cabinets in supermarkets, which they are planning to implement in all 12,500 supermarkets of the REWE group.

Innovative new business models in Goal 2: Our former start-up and Scaler project City Tree - which provides the fine dust binding capacity of up to 275 normal trees in 99 per cent less space - has been **installed in over 25 cities worldwide.**

Business linked behavioural models in Goal 3: TRavelVU - a new way to collect data for travel surveys based on collection of GPS data through smartphones - has been implemented with Swedish Transport Analysis, the Swedish Transport Administration and VTI (transport research institute). This is to our knowledge the **largest project of its kind** that has been performed in the world.

Translating technical information to new business models Goal 4: With support of an EIT Climate-KIC pathfinder project, over 15,000 farms footprints have been generated using the Cool Farm Tool (from inception until 2017). PepsiCo, for example, recently reported **50 per cent reduction in emissions** from its potato famers thanks to the Cool Farm Tool. Likewise, over the past 2 years more than 4000 individuals have benefited from Climate Smart Agriculture training as a result of a MOOC developed by the University of Reading under the framework of the CSA booster Flagship.

Addressing international value chains in Goal 5: The WINnERS Project (see section C) - successfully piloted in Tanzania - is now being rolled out across the country. Targeting a quarter of a million smallholder farmers over the next two to three years, Imperial College London estimates that the project will **contribute 2 per cent to Tanzanian GDP**, just by looking at the increase in maize production alone. Likewise, Eaternity now operates in 74 swiss restaurants and had installed its software in 200 by the end of 2017. Eaternity estimates that its partner restaurants have served more than 25,000 climate friendly meals to date, representing savings of more than **21 tonnes of CO2 emissions.**

Creating cross-national cooperation in Goal 6: To set the groundwork for tackling the global forestry challenge our partner community set out the future of the forestry sector in a paper in March 2018. Our Nordic partners are already building strong links within the supply side as Head of the Swedish Government and Nordic Council of Ministers cooperation on wood in construction.

Co-creating circular business models and technologies in Goal 7: Ioncell-F is a technology developed at Aalto University in collaboration with the University of Helsinki that converts wood and other cellulosic materials into textiles without any harmful chemicals. The Project raised €851,263 from the Finnish Funding Agency for Technology and Innovation Tekes in May 2017 and additional research grant of 1.5 M€ from Tekes dealing with the same process. The Ioncell spin-off project was also selected among the top 50 start-ups in the Slush 100 pitch competition.

Engaging corporates in Goal 8: Scaling-up corporate scope 3 climate action (SCCCA) will provide a much-needed scope 3 emission reductions accounting and certification solutions to the 2,000+ corporates already committed to taking action against climate change. The certification framework and the best practice guidance document intend to maximize climate impact of emission reduction activities happening within corporate value chains (40 per cent of global emissions).

Building regional intervention models in Goal 9: INKULAB is a laboratory-in-a-box (modular shipping container) system providing tailored space for chemical and natural sciences start-ups. It allows the start-up ecosystem to grow and include innovations in chemistry – a promising step toward reducing the large climate impact of this important source of economic activity. The Berlin chamber of commerce (IHK) - recognising the importance of start-ups to the success of the economy at large - supported the development of Inkulab through funding of more than €1 million. Inkulab's successful concept attracted external funding of up to €7m to replicate and upscale from the Berlin Senate's Innovation Programme Siwana.

Enabling new investment decisions in Goal 10: Climetrics – the EIT Climate-KIC supported climate impact rating of equity funds across Europe- was the first rating of its kind, allowing investors to decide whether to invest in an equity fund with low carbon impact.

Mainstreaming risk information in Goal 11: EIT Climate-KIC is working on two of the major global centres for disaster risk. We have been commissioned to deliver Innovation Labs on behalf of the £30m DFID Global Centre for Disaster Protection and have agreed a formal partnership with the Global Centre of Excellence on Climate Adaptation (GCECA). These partnerships are built on the strength of our innovation and enable us to extend our impact globally.

Creating the conditions for city finance in Goal 12: The 'Matchmaker' initiative, supported by the LoCaL Flagship, has identified +1000 green projects from 362 cities in 2017, representing USD+50 billion of investment opportunities for cities and investors.

These solutions represent points of intervention in the systems which we are leveraging towards systemic impacts.

B2. What strategic lessons have we learned?

We have learned that our impact goal framework attracts stakeholders with similar interests and enables EIT Climate-KIC to prioritise resources whilst attracting non-EIT funds. In area **Area 1** we have learned that our community and the ecosystems we orchestrate, engage and build are the strongest resource for delivering on our impact goals. By forging creative and strategic relationships, we can drive this innovation community to help trigger the system-wide changes needed for rapid decarbonisation and resilience. We have recognised how interconnected the relationships are between our Early, Later Stage and Flagship programmes (**Area 2**) and the need for greater integration of their outputs and outcomes with activities in

our Entrepreneurship and Education areas. This is particularly true of our efforts to include innovation around policy, financial systems and behavioural change signaled last year.

In our Entrepreneurship work (**Area 3**) we are continuing to build on our successful programme and have recognised the need to support our start-ups to scale. By focusing on our impact goals, we enable clusters of start-ups to work together to break down barriers and interact with our wider community. In **Area 4** (Education) we have learned of the need to consolidate our programme and increase KTI across our portfolio, enabling innovation through education, innovating our education approach and scaling our impact through targeted education projects within impact goals. Our outreach and dissemination **Area 5** needs to be further influenced by the activities of the community as a whole to show innovation across our impact goals. One of our key lessons is understanding how we evaluate and influence the choices that we make (**Area 6**): through the development and embedding of our Theory of Change we have learned that we need to further strengthen our approach to monitoring, evaluation and learning, utilise the collective intelligence of our community and scan the broader horizon to direct our efforts across impact goals.

We also listened carefully to feedback on last year's Business Plan and acted to address weaknesses. We have either started the process of adjustment, or included measures to address concerns in this EIT-BP2019 submission:

- There was disappointment with our significant underspend in 2017. We share this disappointment. As a result, we have implemented a comprehensive budget execution plan, with a series of measures already in place to avoid underspend.
- We were challenged to address the disconnect between our entrepreneurship and innovation programmes, particularly why supported start-ups were not at the forefront of our innovation projects. We have responded with a new approach to entrepreneurship that aligns the activities along impact goals, engaging start-ups directly in the activities of flagships, connecting to city clusters and introducing a new *Start-up Scaling* KAVA (KAVA 3.2.1) for 2019 drawing on Food Stars from EIT Food.
- Our approach to define clearer goals, targets and indicators in our EIT-BP2018 was welcomed, but we were challenged to present a set of 'management' KPIs. We have done this, and in section C.2 you will find our proposal.
- We were asked to pay special attention to the use of the EIT and EIT Climate-KIC brand, particularly to ensure Partner-led innovation projects are always compliant with brand guidelines. We have acted with new procedures and have embarked on a set of high-profile brand initiatives (e.g. Chill Services). We are proposing a brand review in 2019 (KAVA 8.1.1 Strategy, people and corporate communications) to strengthen coherence across all our channels and to offer a strong base for working with different funders.
- There was a call for greater visibility, target-setting and clearer strategies for our six Geographies (plus RIS programme). We have responded by summarizing our approach in section C.2 and included specific Geography plans and targets in our Geography Management KAVA (KAVA 8.1.8).
- We were called upon to develop a comprehensive 'return on investment' strategy. In this EIT-BP2019, we propose rolling out an EIT Climate-KIC Investment Fund, spin-out equity approach, and full-scale pilots of more experimental schemes.
- There was feedback that Flagships are strong at bringing together KTI and have a targeted thematic approach, but that their role is not clearly defined within the programme, as their outputs and outcomes are similar to our overall impact goals. Our Flagships have evolved, using their position within the community to provide leadership on key areas of intervention within an impact goal.

C. Implementation of EIT Climate-KIC's multi-annual strategy in 2019

In Section A we outlined our 2019 activities in the context of our 2016-2022 Strategic Agenda. In this section, we describe the expected outputs, outcomes and impact of the BP2019. This builds on the successful implementation of the strategic agenda from 2016 to 2018 (described in Section B), delivering on the EIT objectives and EIT Climate-KIC specific objectives within our multi-annual strategy.

In 2017, working with our community, we aligned our programme across 12 impact goals (**Impact Goal Framework** – three within each of our four thematic areas) that focused our efforts on the 'wickedest' challenges that are holding back the shift to a zero-carbon economy and, at the same time present some of the most significant opportunities for innovation-enabled growth. The magnitude of these challenges, crossing national boundaries, industrial sectors and societal norms, creates significant inertia. In many cases there are in-built negative feedback loops to change, such as defensive economic responses in carbon-dependent countries, asymmetric relationships in global food supply chains, accelerated reliance on cement, steel and plastics in the development of ever-growing cities, or unwillingness to integrate emerging technology in long-established, often unionised industries. By engaging communities of innovation actors around our impact goals, we have already started to grow transformative ecosystems and leverage our continually maturing approach to KTI to catalyse change by working on multiple points of intervention, leverage and integration simultaneously. The EU has called for a significantly greater focus on systemic change and transformation in the Horizon Europe proposals. By building experience and expertise in doing exactly that, we position Europe at the forefront of systems innovation, and as a leading part of a global community dependent on the solutions to these challenges for continued economic growth and the creation of new high value jobs.

In 2019 we will strengthen the mechanisms that enable us to evaluate the direct results of the KAVA and to identify the interconnections and interventions that trigger systemic change, scaling solutions by applying the right set of levers through a portfolio approach; building EIT Climate-KIC's **Systems Innovation Capability**. Through this approach we will test our Theory of Change and adapt our impact goal framework. We are also increasing our capability to scale successful innovation through our **scaling support**.

Impact Goal Framework: A dynamic framework for systemic change

In 2019 we will deepen our focus on systemic change by increasing the alignment of education, entrepreneurship and innovation activities along these impact goals. By doing this we expect to achieve more ambitious outputs and outcomes, and this approach in turn provides a foundation for business development which is gathering momentum not just for the financial sustainability of the EIT Climate-KIC LE but the community as a whole. An example of this approach for one impact goal is shown in figure 3.

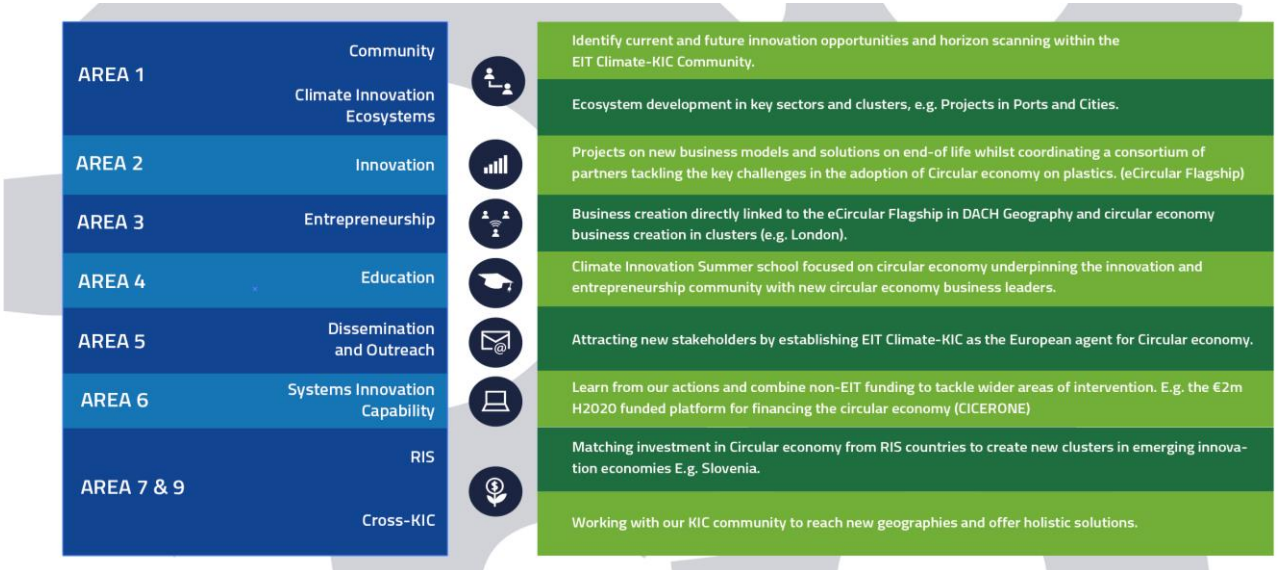

Figure 3. Systems Innovation

Recast materials production: Catalyse a switch to a circular economy and transform production for fossil-energy intensive materials.

By aligning our activities to target the impact goals in this way, we create opportunities for the EIT Climate-KIC Community to interact in a targeted way. Linking start-ups with innovation projects and flagships, creating education and capacity-building programmes that learn from our innovation projects to inspire and empower

people to focus on solutions within the impact goal pathway. We are planning our approach so that it delivers more than the sum of its parts, achieving a greater contribution to economic growth, competitiveness, innovation, knowledge triangle integration, job creation and skills than if we continued to run these programmes separately.

As described in figure 3 the KAVA structure established in 2018 provides the building blocks for this approach. Incubated in the Innovation Area in 2018, we are planning in 2019 to spread the impact goals more completely across Areas 1 - 9.

Scaling support

Alongside our innovation scaling approach in 2019 we are also introducing specific scaling support for our start-up community (section C.1.7). This entrepreneurship scaling programme will be focused on working with clusters of start-ups to stimulate demand and enable the market conditions for scale-up along our impact goal pathways. It includes working with large corporates and industry players committed to changing core business models through our corporate innovation programme. We are also continuing to develop the ROI models that permit us to engage in the scaling of innovation over the longer term and to continue to reinvest. This includes building on our work to evaluate approaches to equity in our start-ups and the introduction of an evergreen EIT Climate-KIC investment fund (Section C3 Financial Sustainability).

Systems Innovation Capability

Our 12 impact goals form part of a Theory of Change that describes how EIT Climate-KIC can influence the growth of a new economy and tackle the societal challenge of climate change. Each goal is interdependent, and impact is not linear; by creating outcomes along one impact pathway we affect another. Shifts outside our community across ecosystems in technology, policy, and behaviours will also change the dynamic of our framework. To maximise our impact, we are planning to coordinate our activities through a 'portfolio' approach across our 12 impact goals, which will enable us to:

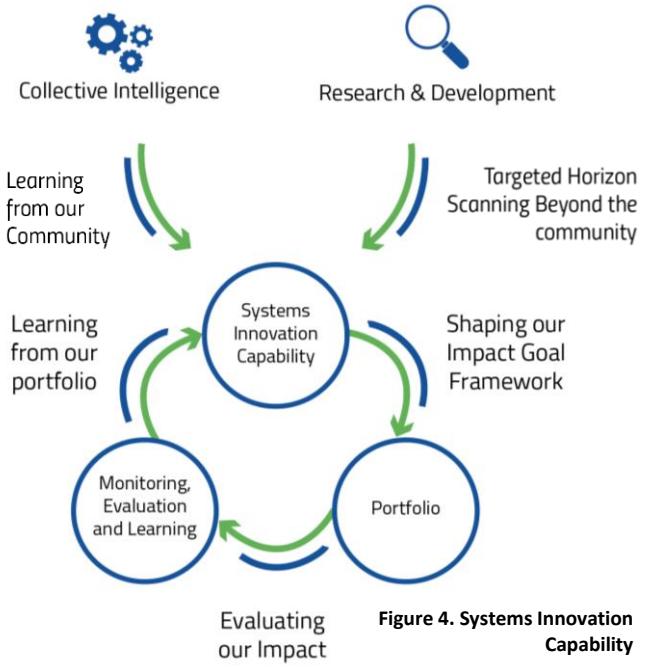

Figure 4. Systems Innovation Capability

- Create a diverse spread of 'options' – projects and activities – working in parallel but framed and connected in relationship to the same impact goal and able to accelerate reciprocal learning. (Annex A)
- Monitor, evaluate and learn from the outputs, outcomes and impact across our impact goals, as a collective portfolio, to identify interdependencies and feedback loops (KAVA 6.1.1).
- Utilise the collective intelligence of our community to evaluate impact in broader clusters and ecosystems, providing foresight into where change is happening and where intervention is needed from across the portfolio (KAVA 1.2.1).
- Introduce a focus on cross-cutting and breakthrough drivers of change (e.g. AI, Circular Economy Business Models) that will accelerate impact across the whole portfolio and develop the activities that enable our community to maximise benefits from interdependencies, as well as identify and initiate positive, non-obvious feedback loops and new levers (KAVA 6.1.3).

> ***Example.*** *In 2019,* ***RISE*** *(Research Institutes of Sweden – one of our Partners) will focus on developing AI capacity to detect and understand relationships between trends and different climate challenges. RISE will continue to develop a dedicated "Zero-carbon opportunity scanner", making state-of the art AI a corner stone of this work (KAVA 6.1.3)*

- Identify and work with strategic funders and demand-side commercial partners to validate our framework, collaborate and co-create programmes (KAVA 6.1.2).

As we achieve outputs and outcomes and impact goals, we expect to observe patterns, identify barriers and obstacles as well as multipliers of change dynamics, requiring us to re-evaluate our plans for creating impact.

These activities will also enable us to monitor our multi-annual strategy within our strategic agenda and shift our focus and goals accordingly; i.e. work with a dynamic framework for systemic change. At the same time, we will invest in our people (6.1.4) and continue to build our capability and capacity for human-centred design, multi-dimensional business model design and social systems design suited to systems innovation.

C1. Expected results and impact

In this section we describe the challenge faced in each impact goal area, the reason why the impact goals need to be achieved, why EIT Climate-KIC is well placed to catalyse systemic change in these areas, and the expected outputs and outcomes.

C1.1 Urban Transitions (UT) – expected outcomes and impact

Sustainable urban development is imperative. Cities consume 75 per cent of natural resources globally (materials, energy, water), produce 50 per cent of global waste, and generate 60-80 per cent of greenhouse gas emissions[10]. European Cities are part of a growing globally connected marketplace; those cities that solve these challenges will be more productive, attract high value jobs and create the solutions that are globally valued. The UT thematic programme for 2019 will actively draw on ecosystems, entrepreneurship and education activities to create impact across three goals. This is underpinned by the Smart Sustainable Districts flagship which in 2019 will support cities to develop and deliver integrated sustainability projects at a city-district scale, prioritising a collaborative approach that involves all stakeholders in tackling simultaneous challenges - unlocking systemic change and broad benefits for urban communities. It will provide a test bed for transformative, low carbon urban renewal. Our urban activities will be combined with those related to other impact goals to create a set of offers for cities, developers and other stakeholders. We will also work closely with other EU programmes and national bodies to attract additional funding and are working with C40 cities to expand our strategic alliance to other funders.

Goal 1: Promote retrofit and decentralised energy: Drive a significant increase in urban retrofit rates and enable district-scale clean energy production, paving the way for deep cuts in emissions.

Buildings are responsible for 40 per cent of energy consumption and 36 per cent of CO2 emissions in the EU. Roughly 97 per cent of the EU's building stock – over 30 billion m2 – is not currently energy efficient. According to the International Energy Agency (IEA)´s scenarios the building energy efficiency sector has the highest untapped economic potential of any sector. With 80 per cent of the current building stock in Europe likely to still be operational in 2050, systemic and scalable deep retrofit solutions (near zero net energy/CO2 emissions) that go beyond 'business-as-usual' are needed to realise the 'well below 2 degrees' Paris goal.

There is a potential economic return of more than three times the initial investment with many accompanying social benefits. However, adoption has been slow, with challenges arising not only from technology but also from finance and business models, legislation, knowledge, behaviour, social and cultural perception and norms. This implies that so called 'single point innovations' on individual parameters will not bring about the required quantum leap towards the Paris goal. Where stakeholders from the various angles should be reinforcing each other, pro-actively joining forces and creating momentum, they are in fact waiting for each other to make the next 'bold move'. Although there have been several successful pilot projects, there is a need for mechanisms that can account for this complexity and accelerate adoption on a large scale.

In 2019, EIT Climate-KIC will build on Flagships such as Smart Sustainable Districts (SSD) and Reinventing Cities to demonstrate and scale district scale solutions. Through the Connected Clusters project, we will connect cities which face similar challenges to share solutions, and test and embed innovation. The Building Technologies Accelerator (BTA) Flagship will continue to bring through new innovation from business creation activity and the wider community. The programme will also bring the work to a larger scale through the implementation of capacity building programmes for cities through the Learning Hub (see section C.1.8). In 2019 we expect solutions previously supported such as 2nd SKIN and OfficeVitae to scale up, and we will work with cities to access new mechanisms for finance through the Low-Carbon City Lab (LoCaL) flagship, described in Goal 12 below. The activities' outputs and outcomes are described in table 3.

[10] United Nations Environment Program (2012), *Sustainable, Resource Efficient Cites – Making it happen!* Available at: <https://sustainabledevelopment.un.org/content/documents/1124SustainableResourceEfficientCities.pdf> [05/07/2017]

Table 3: Goal 1 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 - Ecosystems and Community (see table x):** Activate new community members delivering pioneering retrofit solutions (KAVA 1.2.1). Continue to collaborate and connect with European ecosystem (e.g. DGRegio, DGClima and the UIA programme, Synergies with H2020, EIB and EIT InnoEnergy) to enable district scale energy production (KAVA 1.1.2). Climate Innovation Ecosystems Connected Clusters project will link city regions across Europe (KAVA 1.1.3). • **Area 2 - Innovation:** At a district level, the SSD Flagship will concentrate activities around decentralised energy and deep retrofit (e.g. SUSHI, CELCIUS, LEEP). At smaller scale, the BTA Flagship will demonstrate integrated deep retrofit solutions across levers of change such as business models, governance, and financing with projects such as 2nd SKIN; Façade Leasing; Suscool (KAVA 2.6.1 to 2.6.5). LoCaL will unlock climate finance for these and similar projects with a focus on: EU public building retrofit platform, green bonds for buildings and the EU City finance lab. (KAVA 2.12.1 to 2.12.6). • **Area 3 - Entrepreneurship**: Accelerate start-ups and new business models which can leverage change in the system of this impact goal, for instance by working with city planners in targeted projects by introducing clear start-up elements in smart city events (e.g. Belgrade in October 2018) (KAVAs 3.1.1 to 3.1.8). Scale those high impact start-ups that can function as powerful levers of change in the system (KAVA 3.2.1) by connecting UT network solution providers and matchmaking with corporates. • **Area 4 - Education:** Our summers schools for Master students and PhDs (The Journey and the Catapult) will address retrofit and decentralised energy challenges and support the dissemination of knowledge from these areas to students (KAVA 4.1.1 to 4.1.3). We will engage the Learning Hub (KAVA 4.1.3) within the SSD programme network of partner districts through peer-to-peer learning opportunities and calls for district scale innovation projects with a greater focus on RIS and CEE, and co-design and pilot a training programme for leadership capacities to drive sustainable infrastructure projects in cities. • **Area 5 - Dissemination and Outreach:** We will create a targeted campaign to promote the outputs of this goal (KAVA 5.1.1) • **Area 6 - Systems Innovation Capability:** Expand strategic alliance with C40. Both organizations have CEO commitment to a combined offer of city systems change through a merging of certain programmes. Leverage revenue from mature solutions in the area Building Market Briefs, Chilled Services, and Second Skin and Office Vitae (KAVA 6.1.2). • **Area 7 - RIS:** Increase the focus of RIS, CEE and Med in this impact goal (KAVAs 7.1.1 to 7.1.4)	• Engaged with 20 European districts through SSD with a particular focus in the RIS, Mediterranean and CEE countries. • 2 decentralised energy pilots tested in districts. • 2 deep retrofit related solutions upscaled from building to neighbourhood/district level. • Influenced 3 standards or policies aimed at energy performance of the built environment • Supported up to a total of 10 later-stage projects. • Supported up to a total of 10 promising start-ups via matchmaking with demand-led challenges. • Helped educate > 100 decision-makers. • Published and disseminated knowledge around at least 2 best practices around financing and delivery of deep retrofit and decentralised energy.	• BTA is an economically self-sustaining and recognised leader in deep retrofit delivery models and energy cuts to urban stakeholders. • Enabled 10 cities to transition building- and district- scale energy production. • Attracted €200m redevelopment investment in districts. • Strategic alliance created with C40 and codeveloped, funded and launched a cities pre-programme based on the Reinventing Cities Model developed in 2018

Goal 2: Create green, resilient cities: Harness the force of nature in infrastructure design to build liveable climate-resilient cities.

Over the period 1980-2016, the total reported economic losses caused by weather and climate-related extremes in the EEA member countries amounted to approximately €436 bn. Single events such as the 2002 flood in Central Europe can also account for losses of over €20 bn on their own (2016 values).[11] There is no doubt that climate change is exacerbating the vulnerability of cities and city authorities and private sector land owners and developers are looking for new solutions.

Nature Based Solutions (NBS) have proven to not only tackle these risks, but also to provide additional economic benefit to cities and their citizens. We see NBS as actions which use or are supported by nature and its restorative system processes to address societal challenges, while simultaneously providing human well-being and socially inclusive green growth. The City of Philadelphia[12], for example, found that the net present value of green infrastructure for storm-water control was over 10 times that of piped grey infrastructure. This is because the economic benefit of green infrastructure includes diverse benefits such as:

[11] https://www.eea.europa.eu/data-and-maps/indicators/direct-losses-from-weather-disasters-3/assessment-1

[12] Stratus Consulting ,2009. A Triple Bottom Line Assessment of Traditional and Green Infrastructure Options for Controlling CSO Events in Philadelphia's Watersheds (Stratus Consulting, Boulder).

changes to property values; green jobs created; reduction in greenhouse gas emission and reduced crime. However, the adoption of NBS is not straight-forward; we will require new ways of thinking across the public and private sector to capture these benefits. EIT Climate-KIC will apply its approach to KTI in this area to develop models that share risk and reward whilst deliberately working with the public sector and citizen to understand behaviour and policy.

In 2018 we launched the Veolia-led project Urban Cool Islands (demonstrating the re-use of water for reducing urban heat island effect through evaporative pavements), the TU Delft lead project Polder Roof (validating the use of the polder roof as both a storm water management solution and as a tool to tackle drought) and kicked off our ecosystems development work with TU Delft, Wageningen University, University of Bologna, Deltares, GIB Foundation, Greater London Authority, Municipality of Bologna and Vejle Kommune. Innovative start-ups such as City Tree have established a market within the built-environment community and we are starting to see a growing number of solutions being developed. In 2019, we will strengthen this ecosystem and focus on developing innovations around the areas of new disruptive NBS, new governance, and new policy frameworks. We will also strengthen the knowledge base within this community and with key stakeholders, first assessing the needs and then developing training and capacity building formats within the Learning Hub (KAVA 4.1.4). We will at the same time be collaborating with the European Investment Bank on new financing models for NBS. The outputs and outcomes are described in table 4.

Table 4: Goal 2 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 - Ecosystems and Community:** Expand on the collaborations with our partner community, pioneering NBS through the development of an NBS Ecosystem network. This network will build on interactions with the Horizon2020 network of NBS projects and conduct research into the potential of NBS innovation in the built environment sector (KAVA 1.1.4). • **Area 2 - Innovation:** Support early and later-stage innovation projects that enable cities to design habitable and resilient urban spaces through NBS. Focus on developing innovations around the areas of: a) needs-based evidence, data and knowledge; new governance, business models and financial mechanisms; optimised policy, regulatory and administrative frameworks; and new disruptive NBS technologies (KAVA 2.2.1). • **Area 3 - Entrepreneurship**: Accelerate start-ups and new business models which can leverage change in the system of this impact goal (KAVAs 3.1.1 to 3.1.7), and match-make them with city needs. Scale those high impact start-ups that can function as powerful levers of change for smart, liveable and sustainable cities (KAVA 3.2.1). • **Area 4 - Education:** Our summers schools for master's students and PhDs (Journey and Catapult) will address green, resilient cities challenges and support the dissemination of knowledge from this area to students (KAVAs 4.1.2 and 4.1.3). As part of the Learning Hub, we will scope and design a capacity building programme to accelerate the implementation of nature-based solutions, based on a systems innovation learning module (KAVA 4.1.4). • **Area 6 - Systems Innovation Capability:** Collaborate with the EIB, Adaptation Fund, and 100 Resilient Cities on the financing and scaling of innovative NBS and adaptation projects (KAVA 6.1.2). Use EIT Climate-KIC's Adaptation Working group to stimulate a high-quality innovation project pipeline and further our understanding of innovation in adaptation (KAVAs 6.1.1 to 6.1.4).	• An interconnected pan-European NBS Innovation Ecosystem. • 5 cities actively applying integrated NBS approaches. • Embedded NBS into 3 district and city plans. • Up to 5 later stage innovation projects. • Established a NBS scaling pathway with at least two large property owners. • Up to 5 NBS start-ups accelerated to be market ready. • Educated up to 50 city leaders and urban decision makers on adaptation strategies and NBS.	• Enabled 10 cities and 3 large property owners to design habitable and resilient urban spaces through the deployment of NBS.

Goal 3: Accelerate clean urban mobility: Trigger the switch to clean urban mobility to achieve considerable cuts in urban transport emissions.

The transport sector is a major contributor to GHG emissions and is responsible for approximately a quarter of total energy-related CO2 emissions. Demand for transport continues to rise and global urbanisation is seeing this demand increase in cities. Whilst the technology to reduce emissions from transport has been available for a number of years, the inertia in the current mobility sector has seen slow progress to decarbonisation. Grid decarbonisation, the reduced cost of decentralised energy and recent technological advances in autonomous vehicles also provide an opportunity for decarbonisation. However new models of behaviour are needed across business, the public sector and society as a whole.

> ***Example.*** *In 2019 Aarhus Kommune will lead a pilot project of a solution for Mobility as a Service (MaaS). The city will investigate the possibility to create a more efficient mobility system by integrating public and private mobility services through peer-to-peer ridesharing. This calls for a setup that includes mobility providers, data platform owners, service providers and passengers. The main goal of the project is to demonstrate a new way of organising city mobility on the foundation of a sound and sustainable business case (KAVA 2.2.5)*

We will continue to strengthen our mobility community and expect to work closely with EIT Mobility once launched. Our pipeline of projects will focus on integrating business models and mobility services that will inspire new approaches, as well as looking at financial mechanisms and optimised policy, regulatory and administrative frameworks. This work will include the acceleration of promising start-ups in the urban mobility space, capacity building of urban practitioners to enable change in mobility approaches, and early and late stage innovation enabling cities to accelerate the shift to sustainable urban mobility. The outputs and outcomes are described in table 5.

Table 5: Goal 3 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 - Ecosystems and Community:** Establish a Mobility Innovation Ecosystem network with our partner community working with EIT Mobility (once launched) (KAVA 1.1.5) • **Area 2 - Innovation**: Support early and later-stage innovation projects that enable cities to accelerate the shift to sustainable urban mobility and promote mixed land-use to avoid the need for long journeys. Focus on developing innovation around the areas of: (1) planning regulations to create compact, liveable neighbourhoods, (2) promote active mobility, (3) support cities to increase robustness of Sustainable Urban Mobility Plans (SUMPs), (5) enable MaaS (KAVAs 2.2.1 to 2.2.8) • **Area 3 - Entrepreneurship:** Accelerate start-ups and innovative - possibly disruptive - business models which can leverage change in the system of green and smart cities (KAVAs 3.1.1 to 3.1.7), and match-make these with city needs, investors, building societies. Use current programmes such as the Masterclasses and Greenhouse to nurture innovative entrepreneurial mindsets for city, mobility and smart design. Draw on findings and networks from the ITS2018 (Intelligent Transport Systems conference) and the start-up space created for ITS2019 to scale. Scaling high impact start-ups within mobility and transport that can function as powerful levers of change in the system (KAVA 3.2.1) • **Area 4 - Education:** Use challenges of future low carbon mobility as input for summers schools (Journey and Catapults) (KAVAs 4.1.2 and 4.1.3). Co-design and implement two courses on the future of mobility in cities, with one course focussing on how to strengthen cycling within urban mobility systems (KAVA 4.1.4) • **Area 5 - Dissemination and outreach:** dissemination of knowledge, successful examples and best practices (KAVA 5.1.1). Develop and deepen the connection between citizen engagement, air quality, and health and wellbeing.	• Up to 5 cities actively demonstrating the shift to sustainable urban mobility. • Up to 2 cities demonstrating how to reduce the need to travel. • Cycling experts across Europe trained through peer to peer learning format.	• Enabled up to 10 cities to shift towards sustainable urban mobility and to reduce the need to travel.

C1.2. Sustainable Land Use (SLU) – expected outcomes and impact

Land use is key to achieving the 'well below 2°C' Paris target. Through improved land use, soil carbon sequestration can be enhanced, damages due to deforestation can be reduced, and huge quantities of fossil carbon can be substituted with newly mobilised carbon. A small 0.4 per cent average annual increase of the organic carbon contained in soils could be achieved by improved agricultural practices and would alone capture our annual anthropogenic greenhouse gas emissions, while increasing soil fertility. Yet the challenges are as great as the potential. Many land use actors (farmers, foresters) do not benefit economically from climate-friendly practices, which means that other change agents and leverage points need to be mobilised.

The SLU theme has developed its innovation programme to facilitate the realisation of this potential through systemic approaches that (i) improve the efficiency and the resilience of the land-based supply and value chains in agri-food and forestry domains, (ii) increase their long-term sustainability and contributions to CO2 and non-CO2 emission reduction and (iii) maintain or increase the carbon sink functions of land. This is implemented through a project portfolio that draws on ecosystems, education and entrepreneurship activities around 3 impact goals described hereafter.

Goal 4: Make agriculture climate-smart: Instigate a ten-fold increase in the application of climate-smart agriculture solutions.

Climate change-induced temperature increases, rainfall variation and the frequency and intensity of extreme weather events are increasing pressure on a global agriculture system already struggling to respond to rising demands for food and renewable energy. Agriculture is also contributing 17 per cent of global GHG emissions directly through agricultural activities and an additional 7 per cent to 14 per cent through changes in land use[13]. As global food demand grows, today's agricultural production systems need to be transformed to achieve greater productivity, be more resource efficient, and become more resilient to risks, shocks, and long-term climate change, whilst reducing overall emissions and contributing to enhanced carbon sequestration. The challenge is global, consumers rely on complex supply chains. The EU and national governments have made significant funds available to tackle this challenge.

Models of collaboration are needed to unlock opportunities at different parts of the supply chain and will need to engage stakeholders across public, private and academic communities. To do this we need to activate ecosystems in Europe as well as in the places beyond Europe most at risk (e.g. small holder faming in Africa).

In 2019 we will further develop the open innovation platform Agrisource and its related ecosystem, which will include a database of Climate Smart Agriculture (CSA) solutions, accompanied by training content through the Learning Hub. We will continue our links with global networks through the CSA booster flagship and fundraise to further build CSA hubs in France, Italy, the Netherlands and Nordic countries. These hubs will accelerate the adoption of CSA technologies and will be supported through projects that create finance and insurance mechanisms to de-risk CSA. We will also continue to support on-going projects that strive to incubate innovative technologies in the areas of digital agriculture, soil resilience, land, and water use, which can be scaled through our networks and ecosystems. The outputs and outcomes are described in table 6.

Example: *The* ***WINnERS*** *project led by Imperial College London working with University of Reading (UK), University of Hamburg (DE) and Ecole Polytechnique (FR) utilises machine learning techniques and satellite data to develop cutting-edge insurance products. The team has worked with Munich RE to provide reinsurance to local banks in Tanzania to protect loans to small holder farmers against the risk of climate events (50 per cent of losses). This has enabled the banks to provide credit at a cost that is no longer prohibitive, enabling farmers to invest in their farms, increasing yields, reducing the risk of climate change and providing greater consistency to global clients. The project has attracted investment from the African Development Bank and is being rolled out across sub Saharan Africa, reducing climate impacts and increasing global food security.*

Table 6: Goal 4 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 2 - Innovation:** Pursue on-going - and develop new - late stage projects on agricultural technology, such as precision and digital agriculture, soil resilience, land and water use, and urban agriculture (KAVAs 2.3.1 to 2.3.5). Further develop open innovation platform *Agrisource* including a database of CSA solutions. Develop agriculture finance and insurance mechanisms to de-risk CSA investments (KAVA 2.8.1). • **Area 3 - Entrepreneurship**: Accelerate start-ups and new business models which can leverage change in the systems of this impact goal. Accelerate to scale and secure investment and market entries for valuable and impactful start-ups that can function as powerful levers of change in the systems (KAVAs 3.1.1 to 3.1.7). • **Area 4 - Education:** Develop educational and training content for students and professionals based on first CSA MOOC, and a diverse user community. Develop additional e-learning modules linked to the MOOC on Climate Smart Agriculture.	• CSA open innovation platform *Agrisource* fully developed - with 100 subject experts and 500 active users. • 20 CSA solutions developed, implemented or scaled via projects or through start-ups, with 20 case studies. • 50 demand side actors (corporates, farmer co-	• CSA Booster is the leading European innovation hub, platform and community in CSA; disseminating and co-creating knowledge, expertise, solutions and education to multiple stakeholders in Europe and beyond.

[13] Trade and Agriculture Directorate OECD. (September 2015). Agriculture – Climate Change.

Explore translation of MOOC into more languages (KAVA 4.1.4). • **Area 6 – Systems Innovation Capability:** Develop and support fundraising for four regional hubs in France, Italy, the Netherlands and Nordic countries. Continue to implement technical assistance services via relevant projects – e.g. offering expert consultancy in impact and solutions assessment, value chain analysis (VCA), policy analysis and business modelling (KAVA 6.1.2).	ops, start-ups) actively engaged via projects. • 4 regional CSA hubs established, active and supported to become self-sustainable. • 15,000 people reached and educated via CSA MOOC.	• CSA solutions identified, catalysed, deployed and scaled. • Enhanced frameworks in and access to CSA relevant data and risk analysis, public-private financing, and risk-sharing/transfer insurance mechanisms.

Goal 5: Reform food systems: Transform climate-damaging food value chains and enhance the climate resilience of food supply.

The total food sector from 'Field to Fork' could account for up to 36 per cent of global emissions. In an era where food production has more than doubled and diets have become more varied, over 800 million people are hungry, over 2 billion suffer from micro-nutrient deficiencies and over 2 billion people are overweight or obese[14]. Today's global food system is broken. With the global population predicted to rise to 9.5 billion by 2050, food systems require systemic change to feed the world within planetary boundaries. Europe is one of the world's largest food producing and importing blocs.

Making Europe's food production, consumption, and trade environmentally sustainable is possible, but it will require a major shift in public attitudes and policies, and the seizing of opportunities for change. It requires a view of the whole value chain, addressing intervention points that enable shifts in the whole system, directing investment to where it will achieve the most impact.

In 2019 we will develop our approach to enable multi-stakeholder collaboration, engaging citizens in the design. This will support projects to reduce agricultural and industrial food loss, and valorise waste for biomaterials, bioenergy and value chains for alternative proteins. New business creation will support this pipeline of solutions. We are also engaging with a wide range of other programmes such including our sister KIC EIT Food, FoodNexus, JPI FACCE, Food for Life and EAT Foundation to cooperate on food waste, alternative proteins and sustainable food diets. The outputs and outcomes are described in table 7.

Table 7: Goal 5 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 - Ecosystems and Community:** Use the SATURN cross-European project to explore the most promising routes for virtuous rural-urban interactions in relation to sustainable and efficient food systems. Develop innovative approach to enable multi-stakeholder collaboration and risk mitigation among supply chain actors (KAVA 1.1.6). • **Area 2 - Innovation**: Develop innovation projects that reduce food losses and valorise waste for biomaterials and bioenergy and develop value chains for alternative proteins to transform climate damaging food chains (KAVA 2.8.1). • **Area 3 - Entrepreneurship**: Accelerate both the current pool of early stage start-ups in the food and sustainability sectors, and work with companies to accelerate and support new business models which can leverage change in food systems (KAVAs 3.1.1 to 3.1.7). Scale those high impact start-ups that can function as powerful levers of change in food systems (KAVA 3.2.1). • **Area 4 - Education:** Draw on the pilot Catalyst course about systems innovation in the food sector and scale the implementation based on feedback and learning. As part of the Learning Hub, scope and design a capacity building programme to drive systems-wide change of food value chains, based on the insights of market research and needs assessment (KAVA 4.1.4). • **Area 9 - Cross-KIC**: Establish a strong cooperation with EIT Food on food waste and alternative proteins.	• Food supply chain resilience tools implemented in 5 countries. • Global Life-Cycle Analysis (LCA) platform running for major agricultural commodities and involving stakeholders of the food value chains. • Food system sustainability metrics investigated with 5 cities to improve their food sourcing. • Solutions reducing food waste through circular economy tested and implemented with 5 cities/start-ups/companies. • Development of future-proofed protein supply chains with 3 innovative solutions scaled through large corporates. • 100 systems innovation change-agents trained.	• Food security enhanced by improved resilience and sustainability of food systems. • Circular economy development enabled by reducing, recovering and reusing food losses and waste for biomaterials and bioenergy. • Food innovations catalysed and scaled by change agents for better nutrition and reduced climate impacts.

[14] International Resource Panel. (2017). Food Systems and Natural Resources. United Nations Environment.

Goal 6: Nurture forests in integrated landscapes: Grow carbon sequestration in forests and linked value chains, while avoiding deforestation.

Forests cover one third of the earth's land mass, performing vital functions and supporting the livelihood of 1.6 billion people: 25 per cent of the global population[15]. One of the most crucial services forests provide is to slow climate change by absorbing CO2. Forests also play a critical role in the resilience of landscapes. At the same time, many of the world's remaining forests are under increasing threat due to urbanisation and agricultural expansion. While the rate of global deforestation has appreciably slowed down, 13 million hectares are still lost each year[16]. Deforestation, forest degradation, and land use change contribute to about 12 per cent of the world's greenhouse gas emissions. Fortunately, however, around 2 billion hectares of lost or degraded forest and landscapes could be restored and hence increase the global carbon sequestration capacity of land[17].

Tackling this challenge requires integrated approaches that build on forestry, agriculture and nature capital activities. The challenges are systemic, requiring KTI to share learning, new innovation, and business models. EIT Climate-KIC will focus on three key European challenges: 1. Developing a sustainable forest economy in Europe. 2. Reducing the delocalisation of the European carbon footprint to tropical countries. 3. Re-localising the European carbon footprint by helping European cities to develop meaningful relationships with their surrounding rural territories, particularly wood in construction and how we understand and develop integrated landscape programmes that understand the dynamic relationship with cities. This goal links directly with the integration of nature-based solutions in Impact Goal 2 and adapting and increasing the resilience of urban and rural environments.

In 2019 we will facilitate the connection between supply and demand for bio-based products and consolidate the forestry flagship by developing and communicating a science-based fossil carbon substitution framework. This will feed into the development of learning programmes and the evaluation of our new-business-creation pipeline. We will support the building of tools for integrated landscape programmes that draw on EIT Climate-KIC's work on Nature Based Solutions, and the scaling of programmes through the Landscape finance lab. The outputs and outcomes are described in table 8.

Table 8: Goal 6 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 - Ecosystems and Community:** Assess the development of Climate Innovation Ecosystem with major land owners (KAVA 1.1.3). • **Area 2 - Innovation:** Support new and on-going innovation projects aiming at facilitating the connection between supply and demand for bio-based products and wood construction material (KAVA 2.7.5). Consolidate the Forestry Flagship by developing and communicating a science-based fossil carbon substitution framework (KAVA 2.9.1). Develop the Landscape Finance Lab to provide support to the design and funding of integrated landscape programmes (with DMF theme). Develop projects and activities to strengthen climate relevant relations between cities and their surrounding territories (KAVA 2.3.2). • **Area 3 - Entrepreneurship**: Accelerate start-ups and new business models which can leverage change in the forestry system (KAVAs 3.1.1 to 3.1.7). Integrate mode closely with existing EIT Climate-KIC projects such as the Nordic Forestry project to scale those high impact start-ups that can function as powerful levers of change in the forestry and material system (KAVA 3.2.1). • **Area 4 - Education:** Design and implement a PhD Catapult (summer school) linked to the Forestry Flagship (KAVA 4.1.2). As part of the Learning Hub scope and design a capacity building programme for nurturing forests in integrated landscapes, based on the insights of market research and needs assessment (KAVA 4.1.4). • **Area 6 - Systems Innovation Capability:** Work with regional governments to support and initiate new start-ups/spin outs in the area of the goal.	• Forestry flagship established and attracts an ecosystem of stakeholders of wood-based value-chains. • 6 projects implemented or under implementation bringing solutions to strengthen the market of wood construction and other bio-based products. • 3 projects attracting non-EIT funding initiated to connect cities with their surrounding territories through integrated landscape approaches. • A platform for landscape projects incubation developed and €50m for integrated landscape projects mobilised. • 5 start-ups involved and supported in scale-up phase.	• Unleashed wood and biomass market potential to enable (i) carbon sequestration in forests; (ii) substitution in downstream value chains; and (iii) reduced forest risks. • Cities and local authorities equipped with metrics and solutions for sustainable and climate-friendly management of their surrounding territories. • Unlocked funding for integrated landscape approaches.

[15] UN Environment. (2018). Forest - About Forests. Explore Topics.

[16] The World Bank Group. (2018). Forests – Overview.

[17] bid

C1.3. Sustainable Production Systems (SPS) – expected outcomes and impact

Resource productivity is still underexploited as a source of wealth, competitiveness and innovation. According to recent studies, Europe loses 95 per cent of material and energy value, while on average using materials only once. Research on the built environment, food and automotive sectors shows that a closed-loop economy could reduce emissions by as much as 48 per cent by 2030 and 83 per cent by 2050 (compared with 2012 levels)[18]. To advance a transition to a sustainable production system, we are targeting three interlinked impact goals (goals 7, 8 and 9) that have the potential to shift the system as a whole. By targeting each, we are also able to create leverage points that influence and support the transition across the other goals. We are focused on recasting the materials production of high emission materials, partnering with key industry stakeholders to reduce scope three emissions, and rebooting regional economies by supporting the transition to low carbon economies.

Goal 7: Recast materials production: Catalyse a switch to a circular economy and transform production for fossil-energy intensive materials.

According to the IPPC 5th Assessment, the industrial sector was responsible for 21 per cent of total direct global greenhouse gas emissions and a further 11 per cent of indirect emissions[19]. In order to remain below two degrees, we need to reduce annual global emissions from 65 (as of 2015) to 39 billion tonnes carbon dioxide equivalent (CO2e) by 2030. Recent analysis demonstrates that implementing circular approaches has the potential to reduce EU CO2 emissions associated with the production of steel, plastics, aluminium and cement[20] by 60 per cent by 2050. The circular economy represents an estimated €320 bn investment and innovation opportunity to European organisations and translates into a circular abatement potential of 296 Mt CO2 per year by 2050, relative to the 530Mt CO2 per year forecast.[21]

The circular economy represents a shift in the traditional linear value chain. It is estimated that 3.4 million people were employed in circular economy activities in Europe in 2014. Most of the progress has been in technology innovation; business model innovation and process innovation are relatively less explored. The complexity of reconfiguring complex global and regional supply chains into circular configurations warrants investment in multi-stakeholder collaboration.

EIT Climate-KIC enables this multi-stakeholder collaboration. In 2019, for example, we will build on the Loop programme, the eCircular Flagship, and our portfolio of later stage projects to demonstrate circular business models and technologies. We will initiate new business creation in this area by creating streams within the pan-European accelerator programme to focus on eco-design and digital solutions enabling circularity. We will bring in demand side actors by activating key ecosystems in sectors such as shipping, initiating a market driven solutions lab and policy platform, and building learning programmes that create capacity among key stakeholder groups. We will also introduce new circular economy metrics for cities, SMEs and corporates to understand our impact in this area. The outputs and outcomes are described in table 9.

> ***Example:*** *The* ***eCircular*** *Flagship explores and uses innovative digital tools to accelerate the circularity of plastic-based material systems and dematerialisation of plastic demand – with the vision of a carbon-neutral material system by 2050. This includes blockchain solutions for improved market transparency, data analytics for simulation and forecast applications, and cyber physical systems for improved reuse and remanufacturing. The programme contributes to the European strategy for plastics in a circular economy, by uniting the relevant actors to overcome major barriers, advance policy and industry standards, and scale up innovative solutions (KAVA 2.10.1)*

[18] McKinsey (2016): The circular economy: Moving from theory to practice. http://www.mckinsey.com/business-functions/sustainability-and-resource-productivity/our-insights/the-circular-economy-moving-from-theory-to-practice

[19] IPCC, 2014: Summary for Policymakers. In: Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Edenhofer, O., R. Pichs-Madruga, Y. Sokona, E. Farahani, S. Kadner, K. Seyboth, A. Adler, I. Baum, S. Brunner, P. Eickemeier, B. Kriemann, J. Savolainen, S. Schlömer, C. von Stechow, T. Zwickel and J.C. Minx (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA.
Available from: https://www.ipcc.ch/pdf/assessment-report/ar5/wg3/ipcc_wg3_ar5_summary-for-policymakers.pdf

[20] These four materials (aluminium, cement, plastics and steel), are responsible for 70 percent of the EU's greenhouse gas emissions.

[21] Material Economics, 2018. The circular economy – a powerful force for carbon mitigation. [online] Available at: http://www.climate-kic.org/areasof-focus/sustainable-production-systems/our-insights/, p.5

Table 9: Goal 7 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 - Ecosystems and Community**: Creating a network of ports that share information, create synergies and share learning for circular economy (KAVA 1.1.7). Facilitating collaboration and learning for implementing circular economy into city administration day to day operations and systems (KAVA 1.1.4). • **Areas 2 - Innovation:** Build up further the Loop programme through sharing learnings on existing portfolio of interventions (early stage, later stage, Flagship). Support portfolio of later stage projects to enhance solutions on end-of-life closed loop solutions: BBC2.0, ZRR4WASTE, InnoWEEE, B-PLAS DEMO (KAVAs 2.4.2 to 2.4.5). Invest in new projects on behavioural change, social innovation, standards and policies (KAVA Late stage 2.4.1). Build-up eCircular Flagship through a) activation of internal/ external stakeholder community through networking market platform; b) build Market-Driven Solutions Lab with early stage/later stage projects, start to create success stories, key learnings from projects awarded in 2018 (KAVA 2.10.1); c) create a Policy Platform through reports e.g. main barriers to circularity of plastics, overview of success stories of dematerialisation of plastic demand, preliminary packaging labelling scheme; d) Service Provider model feasibility and flagship business model (KAVAs 2.10.2 and 2.11.2). • **Area 3 - Entrepreneurship:** Active engagement with the broader European start-up community through a competition for eco-design, open source digital solutions, alternative consumption patterns (KAVAs 3.1.1 to 3.1.7). Scale those high impact start-ups that can function as powerful levers of change in the system (KAVA 3.2.1). • **Area 4 - Education:** Pilot a training programme on circular economy in 3 European countries and scale the implementation based on learnings. Co-design learning modules based on insights and knowledge outputs coming from the eCircular flagship (KAVA 4.1.4). • **Area 6 – Systems Innovation Capability:** eCircular Flagship as a catalyst for financial sustainability and the growth of circular economy activities (KAVA 6.1.2). • **Area 7 - RIS:** Engage with the EIT RIS programme as a test ground to engage with EU13 Member States and regions facing particular climate challenges to support low-carbon transition(s) in their countries. • **Area 9 - Cross-KIC**: Further enhance cross-KIC collaboration with EIT Raw Materials and explore new opportunities with EIT Digital on circular solutions.	• 250 Stakeholders engaged in the eCircular Platform. • 10-20 circular solutions developed, implemented or scaled via early/late-stage projects. • 3 Regions hosting a Circular Lab to accelerate the transition to circular businesses. • 1 capacity building format piloted, to advance circularity and dematerialisation practices. • Roll-out of challenge driven innovation lab on circular material loops in 2 locations.	• Accelerated transition through national circular economy roadmaps to a closed-loop society. • Catalysed closed high-emission material systems and dematerialisation of demand by scaled upstream and downstream solutions. • 10 Leading industry players and a critical mass of stakeholders adopting circular and dematerialization practices. • 10-20 European cities per each regional hub committing to plastic prevention activities. • 5 city districts engaging with EIT Climate-KIC having closed loops for selected product typologies.

Goal 8: Reduce industry emissions: Partner with key industry stakeholders in cutting scope 3 emissions to reach science-based targets.

The 2,500 largest global corporations account for more than 20 per cent of global GHG emissions, and emissions resulting from corporate operations are typically exceeded by those associated with their value chains on an average ratio 4:1 (indirect supply chain emissions compared to direct operational emissions). The potential for industry to reduce its GHG emissions is significant, particularly because of its use of fossil fuels as its primary energy supply.[22] Targets are considered "science-based" if they are in line with the level of decarbonization required to keep global temperature increase below 2°C compared to preindustrial temperatures, as described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

There is currently a gap in the landscape of Science Based Target (SBT) methodologies and approaches in order to be widely adopted by high-emissions industries. EIT Climate-KIC's neutral position across a broad ecosystem and partner communities means that it can effectively broker shared learning. The solutions that corporates need to address their SBT can then be sourced through these shared approaches, creating scale. Our focus in 2019 will be to introduce the Well Below 2°C programme that utilises the benchmarking activities carried out in 2018, whilst accelerating the development of the tools, methodology, metrics and capacity building programmes that will enable industry to adopt and embed SBT. This will also support our efforts on financial sustainability to attract demand-side partners, and in matching start-ups working in the field to new industry clients. The outputs and outcomes are described in table 10.

[22] Carbon Disclosure Project, 2017. Supply Chain Report - Missing link: Harnessing the power of purchasing for a sustainable future.

Table 10: Goal 8 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 – Ecosystems and Community:** Explore alternative "value" concepts and impact metrics that can contribute to the discussion of the Technical Working Group on metrics. • **Area 2 – Innovation:** Develop the "Well Below 2°C Pathway" programme: an innovation platform with set of initiatives based on 2018 benchmarking activities and value proposition analysis. Accelerate the development of carbon-neutral compatible tools, methodologies, metrics, labels, match-making. These can include long-term sectoral transition pathways, transparency maps, tools and risk management plans and methodologies (including GHG scope 3 emissions) (KAVAs 2.4.1 to 2.4.5). • **Area 3 - Entrepreneurship**: Accelerate start-ups and new business models which can leverage change in the system (KAVAs 3.1.1 to 3.1.7), in particular those with big data, IOT, industrial innovation and disruptive technologies as their core business models and push for partnerships with industries for Industry 4.0 solutions, which reduce industry emissions. Scale those high impact start-ups that can function as powerful levers of change and disruption in the industrial system (KAVA 3.2.1). • **Area 4 - Education:** As part of the Learning Hub, scope and design a capacity building programme for reducing industry emission, based on systems innovation modules and linked to insights of needs assessment (KAVA 4.1.4). • **Area 6 - Systems Innovation Capability:** Build a Pan-European solutions offering for corporates and asset owners facing climate risk and targets for decarbonisation for "Well below 2°C" transition roadmaps (KAVA 6.1.2).	• Report on decarbonisation transition launched at international policy event. • 2 major industry stakeholders committed to long-term decarbonisation roadmaps. • At least 1 science-based GHG transformational roadmap launched for high CO2 industry.	• Companies transform their businesses practices, resulting in 2°C-compatible emissions reduction and social value. • 2 industry stakeholders have launched first solutions to decarbonise their businesses.

Goal 9: Reboot regional economies: Transition carbon-intensive regions to become zero-carbon innovation hotspots.

Eurostat data show[23] that some of the most energy intensive countries in Europe per capita are those that have already been identified by the European Regional Development Fund (ERDF) as "less developed" or "transition regions." Furthermore, in some cases the linkages between priorities on European economic development and decarbonisation are limited[24], even in the context of the Smart Specialisation Strategy, which aims to capitalise on locally available assets (e.g. knowledge, human resources, R&D infrastructure) and other elements of the regional setting toward sustainable growth. There is a risk that broad goals toward decarbonisation will adversely affect the most vulnerable regions economically. Ensuring that environmental progress can be made in an inclusive and prosperous way is essential to gain traction and accelerate transition. A pan-European cooperation is vital to maintain the leverage of knowledge partners over a broader time horizon to create impact. It facilitates the development of long-term strategies, formulation of projects and best-practice sharing, to help regions attract the investment they need for transition.

In 2019 we will continue to embed our approach to rebooting regional economies through our Re-Industrialise programme and Flagship, engaging key stakeholders at the EU, national and sub-national level. We will link these stakeholders to our approach to building innovation clusters, co-ordination of early and later-stage projects, capacity building needs for transition, and will build on the relationship with the Joint Research Centre (JRC) to translate regional priorities on the industrial/coal transition into action. This will support new business creation, and through the outcomes of our systemic approach support the transition away from carbon-intensive jobs/economic growth. The outputs and outcomes are described in table 11.

[23] Eurostat, 2018. *Consumption of energy*. [online] Available at: <http://ec.europa.eu/eurostat/statisticsexplained/index.php/Consumption_of_energy>

[24] Commission Staff Working Documents SWD(2017) 264: "Strengthening Innovation in Europe's Regions" and SWD(2017) 132: "The lagging regions report."

Table 11: Goal 9 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 2 - Innovation:** build up further the Re-industrialise programme by focusing on its Flagship and also by a) sharing results and learnings from current Carbon Capture and Use (CCU) projects with the practitioner community and b) exploring potential follow-up project to Techno-Economic Assessment Guidelines for CO2 Utilization (TEA Guide) to scale methodologies (KAVA 2.11.2). Build-up Re-industrialise Flagship through: a) Re-Industrialise Lab: deeper collaboration with 2 focus regions, testing early/later stage interventions; b) Solutions Hub: engage key stakeholders (incl. civil society), facilitate exchange among ongoing and new Flagship projects, reflect insights with EU policy-makers (KAVA 2.11.1). • **Area 3 - Entrepreneurship:** explore the creation and running of an Accelerator in the Ruhr region (which is part of the selected Re-industrialise flagship deep dive region North Rhine-Westphalia) (KAVA 3.1.4). Scale those high impact start-ups that can function as powerful levers of change in the system (KAVA 3.2.1). • **Area 4 - Education:** co-design learning modules based on insights and knowledge outputs coming from the Reindustrialise Flagship. Pilot a capacity building programme for regional ecosystems linked to transformation of economy systems (KAVA 4.1.4). • **Area 5 - Dissemination and Outreach:** implement strategy for further enhancing the Re-industrialise programme and Flagship profiles towards our target audiences, through event organisation and participation, corporate communications, and Public Relations (KAVA 5.1.1). • **Area 6 - Systems Innovation Capability:** continuous update of Re-industrialise Flagship financial sustainability strategy, and implement planned activities (KAVA 6.1.2). • **Area 7 - RIS:** engagement with RIS regions through Re-industrialise flagship (KAVA 2.11.1).	• 2 regions having taken decarbonisation actions in partnership with EIT Climate-KIC, also supporting new business creation • 10-20 early/late-stage projects under Re-Industrialise programme Flagship • 1 capacity building format piloted, to support low-carbon transitions	• Regions transitioning away from carbon-intensive jobs/economic growth. • 5 concrete innovations have been shared and scaled between transition regions.

C1.4 Decision Metrics and Finance (DMF) – expected outcomes and impact

The global financial system plays a critical role in the climate agenda. Financial markets offer both the biggest threat to advancing toward a zero-carbon resilient future, and the greatest opportunity for investing in this future. On the one hand, the short-term and return-driven motivations of financial markets run counter to the long-term ambitions of achieving a zero-carbon future. On the other hand, small changes to the way in which financial markets operate can redirect significant flows of money into climate-aligned investments. By integrating climate into mainstream financial markets, the impacts and effects of climate change will become a necessary and accounted cost in the economy; creating strong, financial incentives to do something to reduce emissions.

EIT Climate-KIC is therefore focused on developing the information, tools and capabilities needed within the financial system to transform the way financial markets operate. We believe that financial markets need to systematically integrate climate considerations, risks and costs into their value models, and that doing so will produce a step-change improvement in our progress toward a zero-carbon future. Integrating new non-monetary considerations into financial markets will ensure that the global financial system shifts to become climate-aligned and becomes a significant contributor to overall climate progress.

Goal 10: Mainstream climate in financial markets: Advance metrics, standards and instruments that enable transparent, true-cost and benefit accounting for a well below 2°C pathway

Estimates regarding the investment needed to achieve a zero-carbon economy range from $1 trillion annually[25] to $3.5 trillion annually[26], but all estimates are consistent that the scale of investment required is very high. The G20 is expected to shoulder around two-thirds of the required emission reductions between 2014 and 2050[27], thus significant investment across Europe is required, and Europe's financial system must be a key contributor to these efforts.

Shifting financial markets therefore is essential for accelerating Europe's decarbonisation efforts. However, a major barrier to this shift toward climate-smart financial markets is the current short-termism in financial markets[28]. By focusing on payback periods of 3-5 years, long-term targets related to climate and sustainability

[25] TCFD 2017. *Final Report: Recommendations of the Task Force on Climate Related Financial Disclosures*, Basel, Switzerland. Available at: https://www.fsb-tcfd.org/wp-content/uploads/2017/06/FINAL-TCFD-Report-062817.pdf [Accessed April 30, 2018].

[26] OECD/IEA & IRENA, 2017. Perspectives for the energy transition – investment needs for a low-carbon energy system. Available at: https://www.energiewende2017.com/wp-content/uploads/2017/03/Perspectives-for-the-Energy-Transition_WEB.pdf.

[27] Ibid.

[28] Haldane, A.G., 2015. 4. The Costs of Short-termism. *The Political Quarterly*, 86, pp.66–76. Available at: http://doi.wiley.com/10.1111/1467-923X.12233 [Accessed May 23, 2018].

naturally fall out of the equation. Orienting financial markets around long-term targets therefore requires regulatory settings that incentivize the consideration of longer time horizons. Focusing innovations on shifting these fundamental paradigms is a niche opportunity for EIT Climate KIC, and with a strong partnership of actors working in this space, we are well placed to work with it.

In 2018 we supported the European hub of the UN initiative Financial Centres for Sustainability connecting finance centres across Europe. We continued the development of our Climate Value at Risk project that values the monetary value of assets at risk of climate impacts and an online climate risk massive online open course for the finance community. Our Climate Innovation Summit (CIS) 2018 is focused on sustainable finance and will be a focal point for bringing together this community. In 2019 these projects will mature to contribute to flows of sustainable finance in the financial centres across Europe. We will leverage the network of financial centres climate innovation ecosystems project and integrate shared learning and new financial innovations. We will also target the acceleration of disruptive business start-ups and fintech in key hubs that will help to provide new products and services that can scale sustainable finance. The outputs and outcomes are described in table 12.

Table 12: Goal 10 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 1 - Ecosystems and Community:** Coordinate a network of European financial centres aiming to share best practise in climate investment and sustainable approaches to finance (KAVA 1.1.8). Guide and shape policy through work at the Technical Expert Group on Sustainable Finance. • **Area 2 - Innovation**: Develop integrated late-stage innovation in the programme (KAVAs 2.5.1 to 2.5.8). Connect work with CDP on disclosure (KAVA 2.5.4) to the work in Goal 8. • **Area 3 - Entrepreneurship**: Build on the CIS 2018 and new partnerships to scale high impact start-ups in the financial, fintech and blockchain sectors that can function as powerful levers of change in the system (KAVA 3.2.1). • **Area 4 - Education:** Offer massive online open course (MOOC) on risk for financial markets as well as offline exec education courses in three financial centres. Utilise the Learning Hub to scope capacity building needs to meet the Impact Goal, identify knowledge dissemination opportunities, scope potential learning service offers, and co-create with partners bottom-up capacity building and learning experiments towards the impact goal (KAVA 4.1.4). • **Area 5 - Outreach and Dissemination:** EIT Climate-KIC and its DMF partner and project portfolio as key catalysts for innovation in the metrics and finance space to work on experiments in finance (KAVAs 5.1.1).	• Create a viable research and development programme testing innovations that overcome complex barriers to sustainable finance. • Created partnerships with key organisations that can provide a viable risk disclosure to management solutions for corporates to avoid and reduce emissions. • Influenced at least 1 standard or policy to mainstream ambitious metrics. • Helped educate decision-makers. • Thought leadership on systems innovation in financial markets. • Processes of top asset owners, managers, corporates include 2° compatible targets in investment and financial decision-making processes.	• Support to experiments testing out-of-the-box solutions to mainstreaming climate in financial markets. • Systematically supported projects and partners to set ambitious standards for sustainability, reporting and investment.

Goal 11: Democratise climate risk information: Enhance access to risk information through capacity building and a major expansion of the climate services market

1.5 degrees of global warming is already 'baked in' due to past and predicted greenhouse gas emissions.[29] Moreover, we are already observing the impacts of climate change, with weather extremes such as heat waves, cyclones and flash floods becoming increasingly frequent and severe. Confronting our 'new normal' necessitates a better data-driven understanding of physical climate risk and the vast potential chain of causal impacts. Only by better understanding the risk can we hope to enable adequate adaptation planning and allocation of financing to adaptive measures. Risk-owners like cities, businesses, governments and individuals are making imperfect decisions in the context of expected climate impacts. We believe that decision-making is constrained by an inability to quantify risk accurately and, as a result, decision-makers are left with uncertainty about their climate exposure and forced to rely on assumptions based on their previous personal experience. By democratising climate-risk information we aim to clarify physical climate risk for decision-makers which in turn will highlight the adaptation gap and incentivise action.

The Oasis Hub continues to gain traction in the insurance market, and the climate risk information community within EIT Climate-KIC is bringing together emerging approaches that have put us at the forefront of global disaster risk initiatives with governments in the UK and the Netherlands. In 2019 we will continue to support

[29] World Bank Group. 2014. Turn Down the Heat: Confronting the New Climate Normal. Washington, DC: World Bank. © World Bank. https://openknowledge.worldbank.org/handle/10986/20595 License: CC BY-NC-ND 3.0 IGO.

the development of standards, innovations and capacity building initiatives that together aim to offer a more transparent, robust and comprehensive approach for analysing risk to enhance resilience in cities, land use and in business, and pricing risk and damage from climate risk and extreme events. We will increase the co-development of projects which aim to develop innovation opportunities into self-sustainable products or services, ready to be deployed and scaled up into new markets. The outputs and outcomes are described in table 13.

Table 13: Goal 11 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 2** - **Innovation:** Assist scaling of OASIS Hub as a global market place for risk information, climate-impact modelling and decision support tools (KAVA 2.13.4). Support innovation in new metrics and standards information for climate risk (KAVA 2.13.1). • **Area 3 - Entrepreneurship**: Expand the pool of and accelerate start-ups and insure-tech on climate risk information that can function as powerful levers of impact and real market value in the climate risk information system (KAVA 3.2.1). • **Area 4 - Education:** Initiate capacity-building programme and training for users and model developers to enable the use of climate risk information and know-how in urban, rural and health sectors (KAVA 4.1.4).	• Climate Risk Information activities firmly embedded into UN Disaster Reduction framework (UNISDR). • >3 insurance innovations tested. • Capacity building delivered to 500 participants. • >2 public funders request open model access and interoperability. • OASIS Hub self-sustaining, known as leading market place.	• Urban, rural and health planners have access and knowledge to apply tools integrating climate risks into decision-making. • 30 per cent of solution providers rely on OASIS Hub and/or OASIS LMF. • 2000 participants in training. • Most EU public funders request open model access and interoperability.

Goal 12: Foster bankable green assets in cities: Develop capacity in preparing projects and investment vehicles to boost the availability of sustainable investment assets in cities

International organisations, the European Commission, EU Member States and innovators have acknowledged the importance of financing as a crucial barrier for urban action. Several macro and micro-level factors are responsible for the current under-investment in cities: from credit worthiness and market regulations down to the project financing skills of municipal staff. By combining the strengths from Goals 1, 2, 3, 10, 11 and 12, EIT Climate-KIC can deliver systemic change in urban infrastructure finance, by identifying and actioning multiple levers of change.

Over previous years EIT Climate-KIC has built up activities to foster bankable assets within cities. We will continue to work with CDP to develop our matchmaker programme to connect finance to bankable projects; we will be working with a new partner 'Bankers without Boundaries' to structure projects for finance; and through the Learning Hub we will provide capacity building programmes for city stakeholders. The City Finance Lab will also work to establish innovative new approaches to finance, so we can connect city leaders with bankable projects and innovative mechanisms of finance. We expect to work closely with the European Finance Centres for sustainable finance described under goal 9 and with an ever-increasing network of Banks, Investors, Development Banks and other EU bodies and programmes. The outputs and outcomes are described in table 14.

> ***Example:*** *Formally launched in June 2018, the* ***Low Carbon City Lab (LoCaL)*** *Flagship aims to accelerate the move towards low-carbon and climate-resilient cities. Its objective is to leverage USD 500 million in additional finance for climate action in cities by 2025, by stimulating innovative financing approaches. LoCaL aims to bring five initiatives to an implementation-ready stage by 2019. The targeted initiatives will seek to attract financing to climate mitigation and adaptation projects and will have to prove their capacity to leverage considerable private and public investments in the short to long-term (KAVA 2.12.1)*

Table 14: Goal 12 2019 activities in the context of outputs and long-term outcomes

Activities in **2019**	Outputs by **2020**	Outcomes by **2022**
• **Area 2 - Innovation:** integrate Matchmaking into city offer (KAVA 2.12.2). Expand Low Carbon City Lab (LoCaL) (KAVA 2.12.1). • **Area 3 - Entrepreneurship**: Accelerate start-ups and new business models which can leverage change in the system of this impact goal by building closer partnerships with financial and investment institutions and using current set-up with innovation funds and global investors to source start-ups that can leverage investments and funds in innovative ways (KAVAs 3.1.1 to 3.1.7). Scale those high impact start-ups that can function as powerful levers of change in the system (KAVA 3.2.1).	• 150 cities involved in training and capacity-building activities. • 15 investors engaged in Flagship. • 10 projects supported by finance lab.	• 200 cities involved in training activities. • 50 investors engaged in flagship activities. • 20 projects graduating from the city finance lab financed. • €50m project finance mobilised by the lab.

• **Area 4 - Education:** Launch capacity-building and training platform. Further enhance the city finance learning platform by expanding the number of e-learning modules (KAVA 4.1.4). Design and implement training formats for city climate finance, including modules on Cost Benefit Analysis for Urban Flood Management, Decision Metrics for Urban Adaptation and District Finance (KAVA 4.1.4).		

C1.5 Ecosystems and Community (Area 1)

Our impact goal approach enables EIT Climate-KIC to **attract new actors** with complementary challenges, experience and competencies, and create **greater community interaction**. Each of our six Geographies identifies areas around the Impact Goals where placed-based potential can be harnessed or where shortcomings currently exist that need to be addressed. We set the conditions for systemic change by engaging these communities and ecosystems in a way that accelerates learning and adoption. This is made possible through community experiments, ecosystems projects, capability building and the brokerage of our Geography and Theme teams. We bring these communities and ecosystems together at a pan-European level to address systemic challenges, for example through the Connecting European Finance Centres, Connecting European Cities or Ports. These Climate Innovation ecosystems are self-fulfilling, increasing the impact of our portfolio, enabling the growth of new businesses through mutual interest, increasing the scaling of innovation, and creating platforms for shared learning and innovation in education that supports supply and stimulates demand.

Example:

The Connected Clusters *project is part of the Orchestrated Ecosystems work. Its aim is to accelerate climate innovation clusters across Europe. Building on the groundbreaking work of the Transitions Hub, we will work with city partners to scope out current challenges, and provide solutions through marketplaces, business cases and foresighting activity, ultimately creating a connected ecosystem which is sharing what has worked in different parts of our community. In Birmingham this work inspired the creation of Energy Capital - a cluster that brings together knowledge triangle actors to crowd in support for a city-regional energy transition. The initiative is supported by the new West Midlands Mayor and has help to spark a local ecosystem which is crowding in public and private funding. In 2019, the project will run activities that connect clusters, including training for cluster managers, city officials and summer schools, foresighting studies, business engagement activity and showcasing events (KAVA 1.1.5).*

C1.6 Innovation (Area 2)

In 2018 we have aligned our approach to innovation along impact goal pathways and in 2019 we will extend this alignment to coordinate programming across Areas 1-8. Our Flagship programmes have been incubating work on our impact goals in key areas. In 2019 they will transition to become platform projects that link the portfolio and coordinate ecosystems targeting key levers of change. Our Early Stage projects will continue to support the development of ideas that build on the strengths of clusters and ecosystems across our geographies. We will connect Early Stage with Later Stage projects as we have been doing, but next year make more effort to connect both to the start-up community through the entrepreneurship scaling mechanism and impact goal approach. Innovation and research impact will be further enhanced through the Learning Hub (see section C1.8) and the Outreach Hub (section C4). This approach takes into account the feedback from the assessors in 2018, builds on the success of the 2018 approach and seeks to accelerate outcomes relevant to each impact goal as well as explore the interdependencies among them.

Flagships: *Our 2019 plan responds to the feedback on Flagships from 2018: that they are strong at bringing together KTI and have a targeted thematic approach, but that their role is not clearly defined within the programme as their outputs and outcomes are the similar to our overall impact goals. Our flagships are now an integral part of our portfolio approach and provide key platforms within the impact goals.*

C1.7 Entrepreneurship (Area 3)

The start-up community is a vital part of growth: in 2017 over 4.5m people were employed in start-ups in Europe's top 15 start-up hub locations. The Cleantech Group estimate that over $55bn has been invested in clean technology companies in the last 6 years. The EIT Climate-KIC entrepreneurship programme has played a key part in attracting that investment to Europe, with over $600m follow-on investment in the start-ups that have graduated from our programme since 2014. Our long-term objective is to develop a fertile and self-sustaining ecosystem for climate-positive start-ups in Europe.

Entrepreneurship Scaling Support programme:

This is a new KAVA for 2019, in which EIT Climate-KIC will introduce models to support our start-ups beyond the current Accelerator model's three stages and establish new activities to help scale our most mature and promising companies. The work on this KAVA contributes horizontally across all Impact Goals, linking select start-ups to other partners active within a specific Impact Goal. Its key objectives are:

i) to deliver targeted activities and initial programmes aimed at scaling-up select EIT Climate-KIC start-ups;

ii) to support late stage companies (Scale-ups and SMEs) to have a significant impact on climate change innovation and business development in Europe, thereby supporting their growth and competitiveness (KAVA 3.2.1);

iii) to accelerate our move towards financial sustainability by designing attractive sponsorship and revenue packages

We will bring a new supply of business models and ideas in the context of our goals and nurture this pool of relevant and viable business ideas, by empowering, connecting, and inspiring entrepreneurs, and by fostering a supporting infrastructure that enables innovation, de-risking market entry, and scale-up. We will create outputs and outcomes and engage Entrepreneurship activities with our Innovation and Education work in a more systematic way. By establishing the Entrepreneurship Scaling Support programme, we will bring together clusters of start-ups and entrepreneurial activity and continue to engage and improve sourcing and selection of start-ups that create change within the systems we are seeking to impact. Together with the Education team, the Entrepreneurship team will work to achieve more mature and business-ready ideas for the Greenhouse programme and will work on launching new initiatives around the wider theme of Intrapreneurship. We will share best practices on sponsorship and develop material that will attract more external funding. The Entrepreneurship Area will likewise work with Innovation projects across EIT Climate-KIC to properly embed start-ups with surrounding stakeholders and help identify companies that can be collaborators and quantify climate change impact.

The Entrepreneurship Area (Area 3) will support across the impact goals through **Start-up ideation:** Crowding-in climate resilient business ideas across all impact goals; **Early-stage start-up incubation:** Crowding-in and de-risking of climate resilient start-ups across all impact goals; and **Later-stage start-up scaling:** Scaling climate resilient start-ups in impact goal intervention areas.

C.1.8 Education (Area 4)

To deliver the necessary scale of action across the global economy we need to go beyond the development of climate leaders: we need to actively learn and disseminate learning from innovation, and innovate learning itself to develop educational programmes that change mindsets and help individuals and communities acquire adaptive capabilities to deal with the onset of climate change effects and impact of transition to a zero-carbon economy. Our educational and capacity building programmes underpin our approach to systems innovation: attracting and training new active ecosystem members, growing the knowledge of supply-side actors and engaging and building demand-side pull.

The Journey *is the world's largest Climate Innovation Summer School, and one of EIT Climate-KICs most successful programmes (shortlisted for prestigious Reimagine Education awards in 2017), offering top graduates and young professionals the tools, inspiration and experience to develop and deliver ideas, products and services in response to climate change challenges. Over 1,000 graduates have learned to work effectively in multidisciplinary and international teams, ideate, deliver a climate-related business plan, and participate in a business-pitch competition. In 2019, the focus will be on integrating The Journey within EIT Climate-KIC's portfolio approach, by incorporating the impact goals into learning materials (KAVA 4.1.3).*

The Education Area (Area 4) will continue to deliver successful programmes developed in previous years, such as the world-renowned Summer School - the Journey – and the EIT Label programmes (KAVAs 4.1.2 and 4.1.3). The activities offered in close collaboration with our university and corporate partners to Master and PhD students will be further developed and aligned closely with our impact goals, drawing on the learning from our innovation, entrepreneurship and ecosystems activities to enrich the learning experience. Our EIT

Label Student Mobility programme will be further developed to ensure a greater impact of our activities by connecting entrepreneurial university students and young professionals closer to our corporate partners through climate internships and placements. In 2019 we will tailor existing programmes and our learning materials to new target groups such as school children and teachers, to achieve broader outreach to the climate entrepreneurs of tomorrow.

We will also introduce a new 'Learning Hub' (KAVA 4.1.4) to engage across the portfolio, ensuring that Learning becomes a core enabler for transformation through enabling mindsets, behaviours and skills (see details below).

Introducing the Learning Hub

New in 2019, the Learning Hub (KAVA 4.1.4) provides the infrastructure and strategic resources to support capacity building, mindset shifts and behavioural change around the EIT Climate-KIC impact goals. It is a unique unit that will build on and progress services and assets developed in the professional, graduate and executive area up to 2018, and utilise our capacity in the online education field.

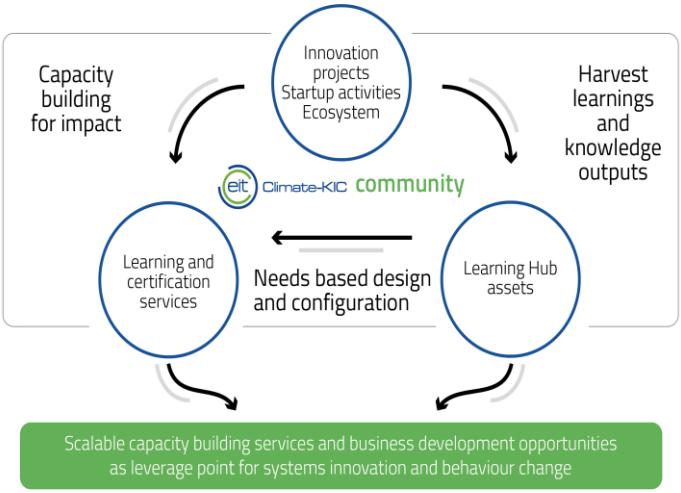

Figure 5. Learning Hub

The Learning Hub will be innovative in its approach to develop a cross-cutting learning programme for scalable capacity building (skills, behavioural change, mindset, knowledge dissemination). Addressing each impact goal specifically, we will co-create learning services targeting competency gaps and capacity-needs to drive action. We will recognise competencies and educate stakeholders to drive action around the impact goals and leverage our pan-European networks to scale activities and capacity building programmes. The Learning Hub will bring together partners, colleagues and experts to co-create and manage capacity building assets and activities (see further details in section D).

C2. Partnership, governance and management

C2.1. Partnership management

Our community is our foremost resource. We strive for a highly-connected, energetic, diverse and creative community of Europe's best climate innovators. This community is composed of large businesses, SMEs, and start-ups, as well as universities, research institutes, NGOs, cities authorities and other public entities. It also involves entrepreneurs, alumni, coaches of education programmes and other citizens connected to EIT Climate-KIC through their engagement in events and through social media. By forging creative relationships, this innovation community can help trigger the changes in systems needed for rapid decarbonisation and resilience.

Our formal Partnership – a subset of our wider innovation community – has grown rapidly again in the last twelve months to the largest size in EIT Climate-KIC's 8-year history. In June 2017, it stood at 254 Partners (an increase of 60 per cent on the same point in 2016). In June 2018, it stands at 333 Partners, a further increase of 31 per cent. We continue to retain and build a balanced distribution of these Partners across the knowledge triangle on a pan-European basis, something highlighted by the data presented in Table 15. The growth we have experienced reflects excitement about EIT Climate-KIC's refreshed strategic direction, as well as a more deliberate marketing campaign on our 'calls for proposals' to a much broader audience in 2017/2018.

Table 15: The distribution of EIT Climate-KIC Partners by Geography and Category as of June 2018

Geography	Total Partners	Core Partners	L3Ps	Business	Business (SME)	Cities, Regions, NGOs	Higher Education	Research
Benelux	38	8	4	4	13	8	6	7
CEE	22	0	0	1	8	7	6	0
DACH	62	8	9	6	31	7	11	7
Mediterranean	112	10	25	24	34	20	18	16
Nordics	29	6	4	5	4	9	9	2
UK & Ireland	55	3	1	5	28	13	7	2
RIS	15	0	0	1	6	3	3	2
TOTALS	**333**	**35**	**43**	**46**	**124**	**67**	**60**	**36**

The EIT Climate-KIC community and Partnership is not yet sufficiently diverse or targeted to tackle all our impact goals and their associated drivers of change. In 2019, we will focus on evolving our Partnership in the following ways: (a) seeking expansion in countries and regions that are currently under-represented, especially in CEE and RIS, and where needs are greatest; (b) filling gaps or addressing weaknesses where we see clear needs for unlocking change around our impact goals (e.g. partners with particular experience on regulatory innovation or on social innovation; industry players with particular influence in supply chains); (c) welcoming organisations committed and motivated by our approach and the need for transformative impact; (d) attracting more challenge-owners; (e) identifying and engaging with non-obvious adjacencies and complementarities in terms of organisations, individuals and community groups working on unexpected sources of innovation, disruptive technologies and breakthrough solutions (f) allowing some Partner exits, where access to EIT grant is their primary motivation for being part of EIT Climate-KIC; and (g) in light of Brexit investing in resolving the situation for our 55 UK partners.

During 2019, we will continue to engage across the EIT Climate-KIC Community in the value proposition and benefit structure suited to working with multiple sources of funding, particularly large grant funders, and one that is able to engage the participation and contribution of communities and organisations beyond Europe. Also, during 2019 we will be exploring how to improve the engagement of EIT Climate-KIC-supported start-ups in our innovation area (see KAVA 2.1.9) and experiment with ways we can lever the full power of our community (e.g. through AI tools or social innovation) (see KAVA 1.2.1). We will also be further developing strategic partnerships with complementary organisations that are aligned with our mission and can help to leverage both scale and financial sustainability. In 2018, we have explored such relationships with C40, DG Regio and the Government of Slovenia among others.

C2.2. Management and operations

Governance: The governance structure of EIT Climate-KIC will remain stable in 2019, and relatively minor changes to the 2018 model are designed to improve independence, transparency and efficiency.

Our Association comprising EIT Climate-KIC's Core Partners (also known as Members of Association), is active in supporting and directing the overall EIT Climate-KIC philosophy and long-term strategy. The Association is the EIT Climate-KIC Holding shareholder. Via its Governing Board, who reflect our geographical spread and sectoral diversity and include an independent Chair, the Association ensures that the partnership grows in accordance with the commitment, skills and competencies required to meet the strategic objectives set.

The Supervisory Board (SB) of EIT Climate-KIC Holding was set up in 2016. At inception, the SB comprised five members, two of whom were totally independent (i.e. not materially connected with an organisation that is a Member of Association or otherwise has a material commercial arrangement with EIT Climate-KIC), including the Chair. During 2017 and 2018, we transitioned to having four out of the five SB members being entirely independent (including the Chair). The SB acts in the interest of all stakeholders and supervises the Executive Board. In 2018, the SB and the Governing Board jointly conducted a governance review to identify and reduce duplication, ensure that roles are clear, introduce best practice good governance procedures and protocols, and ensure that the demands on the Executive are as streamlined as possible. In 2019 the Governing Board will also consider how to reshape the membership of the Association to ensure it is representative of the wider Partnership and will consider the conditions under which other shareholders may join in the future.

The Executive Board comprises a group of statutory directors. In 2018/2019, this will be expanded by one – from three to four – under guidance from the SB: The CEO, CFO, COO and CSO. The Executive Board of EIT Climate-KIC has overall legal responsibility for managing EIT Climate-KIC Holding B.V. This responsibility is delegated downstream in line with an agreed and documented delegation of authorities' matrix. Members of the Executive Board are independent of Partners. For management expediency and to aid robust and transparent decision-making, the Executive Board is supported by selected members of the Executive Team. The Executive Board meets fortnightly to consider programme, policy and operational decisions.

The Executive Team, a broader representation of decision makers, is responsible for operational delivery of the business plan. The Executive Team includes directors of our Geographies and Themes plus certain corporate functions. Members of the Executive Team are independent of Partners.

In 2018/2019, we will establish a not-for-profit Foundation within the EIT Climate-KIC Group, with the primary purpose of having a vehicle that can receive funding from bodies only able to channel money to such entities. We will also explore the establishment of an EIT Climate-KIC Fund and a subsidiary akin to the one established by EIT Food to draw in the best start-ups. Any such developments will adhere to good governance principles.

While innovation programme boards have played an important role in ensuring transparent decision-making across our innovation landscape, we propose to change these in 2019 (see Annex A). Rather than have a series of different boards focused on stages of our innovation framework or indeed Flagships, we will transition to making decisions on a portfolio basis by impact goal/theme. In practice, this means considering all new proposals (potential experiments), from across the KAVA structure in the context of our current portfolio and our learning about its collective strength in unlocking change. While we will retain robust, independent assessment of the individual merits of proposals, we will also assess the potential contribution of the proposal to the portfolio. Accordingly, as an executive, we will become much more deliberate in composing and curating clusters of initiatives for unlocking change, paying attention to their diversity in terms of geography, risk and leverage points.

Intellectual property: EIT Climate-KIC has an up-to-date IP policy in compliance with the requirements of the current Framework Partnership Agreement (FPA). In general, the policy aims to stimulate creative partnerships while encouraging the exploitation of intellectual property rights for commercialisation where appropriate. These aims are realised using four guiding principles:

- **Excellence and impact:** EIT Climate-KIC evaluates projects with excellence and impact as key criteria. As part of project take-up, the scientific and technological quality and anticipated impact, including in terms of the potential for commercial and industrial exploitation, of results is evaluated and a plan is established to share the benefits (with EIT Climate-KIC Holding) if the project is successful;
- **Standard terms and conditions:** All intellectual property generated by EIT Climate-KIC-funded research is subject to regulation by the IP policy, the FPA, applicable Specific Grant Agreement (SGA) factors, and internal agreements;
- **Open innovation, education and research:** EIT Climate-KIC strives to create an open innovation environment in which pre-competitive ideas, knowledge and information are shared within the KIC in an open forum to meet our goals of creating economic value, jobs and sustainable European growth and competitiveness;
- **Sustainability of EIT Climate-KIC:** Although, in general, EIT Climate-KIC does not assume technical IP, we will develop agreements with types of projects where IP is likely to be valuable to aid scaling and safeguard our future financial sustainability.

Geographies: To help unlock systemic change, EIT Climate-KIC Holding needs to be present in local innovation ecosystems. This enables us to connect to local and regional transition policy and policy makers, regional innovation funding needs and opportunities (including structural funds), and citizen engagement. It is also an important component of creating living labs for systems innovation. This takes a deep understanding of city, regional and national policies and priorities. While EIT Climate-KIC Holding can draw on the intelligence and connections of the EIT Climate-KIC community, it must itself possess the local insight to shape a change-making portfolio; being able to act a neutral broker to connect policy makers in placed-based contexts. Across Europe and globally, EIT Climate-KIC Holding must also connect climate innovation ecosystems with shared challenges and experiments, aligned with our Impact Goals. This helps to accelerate two-way learning and creates stronger conditions for change. Such an approach also requires us to have trustful relationships with community members, where face-to-face interaction is often an important factor, as well as the ability to translate (not just linguistically) cross-border initiatives into local realities. This is the reason for our Geographies and our presence in innovation hubs.

Table 16 highlights the strategic focus and targets for each of our Geographies and respective hubs within them, recognising that different parts of Europe and constellations of partners can offer different levels of contribution across our 12 impact goals. Further detail is provided about the individual strategies of each Geography in KAVA 8.1.8. Our Regional Innovation Scheme (RIS) programme extends our Geographical coverage to additional countries across Europe. EIT Climate-KIC programmes – Climathon and ClimateLaunchpad for example – are also delivered across further territories, highlighting EIT Climate-KIC's growing, broad-based international reach. Between 2019-2022, will seek to:

- Maximise our impact versus the cost of the geographic footprint, assessing whether we need to establish physical offices or convene a transient or virtual presence, and whether EIT Climate-KIC staff, Partners or third parties deliver activities;
- Balance incentives for our Geographies to develop and execute tailored and strategic plans that maximise system-wide climate action across specific countries or country groupings without compromising the pan-European USP of EIT Climate-KIC;
- Establish a resilient and flexible model that can cope with funding changes over time. In 2019, we are committed to doing everything possible to secure participation of UK EIT Climate-KIC partners in our collective effort, even if there is continued uncertainty.

Table 16: Approach by Geography

Geography	Countries (RIS*)	Highlights
BENELUX	Netherlands, Belgium, Luxembourg	Strategic alliances with Brussels-based entities in collaboration with the Brussels office. Mobilizing the national innovation policy in the Netherlands, that strives to include climate as a priority theme for innovation funding. Partnership with the UN-supported Global Centre of Excellence on Climate Adaptation (GCECA), that has established a Climate Change and Climate Adaptation (CCCA) knowledge centre in Utrecht.
CEE	Czech Republic, Hungary, Poland, Slovakia Bulgaria*, Estonia*, Latvia*, Lithuania*, Romania*, Serbia*;	As a fledgling geography, priority will be given to developing a cohesive ecosystem: stronger connectivity; building capacities both in the team and with partners; strengthening of the CEE team to allow for reaching out to new partners; developing specific contributions to energy transition, transition towards a sustainable agriculture and forestry.
DACH	Germany, Austria, Switzerland	Building a stronger partner community in the area of sustainable production systems in Germany, as well as strengthening the financial community in Switzerland and Frankfurt. Building strong competencies in the area of scaling and innovation financing, as well as work on blockchain and new decision metrics. Increasing business development activities to support the financial self-sustainability by developing larger proposals together with partners to go after bigger funding opportunities. Organisation of 100 per cent externally funded Climathons (8 externally sponsored cities planned in 2019). Accessing further external support for the start-up Acceleration programme. Increasing thought leadership and visibility of EIT Climate-KIC, particularly around the topic of sustainable finance.
MED	France, Italy Spain Croatia*, Cyprus*, Greece*, Malta*, Portugal*, Slovenia*;	***France:*** developing activity portfolios with Paris and around other pioneering metropoles for climate action (such as Grenoble, Lille-Roubaix, Montpellier, Nantes, Orléans, Toulouse), setting up joint programmes with national and regional agencies, joint activities with public and private investors and with existing or emerging innovation labs, also contributing to the translation of the strong emphasis put at national level on climate action. ***Italy:*** engaging innovative local/regional ecosystems (such as Emilia-Romagna, Trentino-Alto Adige, Lombardy, Piemonte) and sectors with long economic track record, e.g. food and manufacturing industries, or high potential, e.g. bio-economy, bio-materials, forest management; operationalising agreements with key institutional players (e.g. Sardinia Region, city of Turin). ***Spain:*** developing the National Spanish Platform for Climate Action, the coordination of the EIT Cross-KIC Spain Executive Team, active participation in the main national associations, strengthened high-level cooperation with ministries and other public bodies, cooperation with Foro ADR and IberoAM to build innovation ecosystem connectivity at national level and to find synergies with the innovation ecosystems in areas of influence, such as Latin America. At subnational level, a sustainable network of EIT Climate-KIC "Antennas" (Hubs) at regional and city levels will continue: consolidation of Galicia, analysis of the opportunity to develop new Antennas-Hubs or other kinds of cooperation mechanisms with relevant regions and cities (e.g. Madrid, Andalusia / Málaga, Baleares, Cantabria and Murcia).

NORDIC	Denmark, Finland, Norway, Sweden	Priority is on expanding partnerships, especially in Norway, Sweden and Finland. Emphasis will be given to identifying partners along the food, forestry and wood construction value chains. Discussions initiated with Iceland with the aim of creating a hub of 3-5 Icelandic triple-helix partners by Q1 2019. Focus on cross-Nordic collaboration such as the Wood in Construction Projects and joining Nordic-China, EU-China events in 2019 led by our Norwegian partners - NTNU and City of Stavanger (Nordic Edge).
UKI	United Kingdom, Republic of Ireland	Continuing focus on stimulating climate innovation clusters in key city regions: London, with a focus on its Cleantech and Green Finance cluster, which is now strengthened through the Greater London Authority joining the EIT Climate-KIC partnership; West Midlands, dedicated to growing its Energy Capital brand and a focus on the UT impact goal on energy efficiency, retrofit and district scale energy systems; Edinburgh City Region, building on the city-region deal's commitment to digital innovation in the future of housing, mobility and energy efficiency, and connection with the UT impact goals on the same; Dublin City Region, capitalising on its strengths in sustainable finance, Ireland's 2018 Year of Sustainable Finance and the hosting of EIT Climate-KIC's Climate Innovation Summit in November 2018, in alignment with DMF impact goals. Helping partners to negotiate the uncertainty of Brexit.

C3. Financial sustainability strategy

In our EIT-BP2018 we described the lessons that we have learned about the funding landscape for climate innovation and what that meant for our future financial sustainability. We presented a vision of a future multi-funder model which would see EIT Climate-KIC:

- Use our Theory of Change, with clear 2030 impact goals, to propose compelling offers to major grant bodies and foundations, developing member state partnerships and drawing on structural funds where goals align with Paris Agreement outcomes;
- Position EIT Climate-KIC and our programme assets to offer products and services to those looking to source, provide, fund or learn about climate innovation and entrepreneurship;
- Be a partnership that organisations want to join, where partnership benefits are focused on the climate-related systems-wide change we can achieve together; and
- Nurture Europe-wide and globally recognised programmes and events that major public and private organisations want to sponsor.

We strengthened our management of financial sustainability with (i) direct leadership by senior management, appointment of a Director and a consolidated Central Team; (ii) focus on long-term high-revenue opportunities and limiting our existing pipeline to include less limited-scope smaller scale projects, only when programmatically relevant; (iii) rigorous alignment of business development (BD) opportunities to our mission and outcome-focus and streamlining our workflow and BD processes; and (iv) building on assets we already have and repackaging or grouping assets for interested funders, rather than creating new ones.

In 2018 we appointed a new Director for Business Development and consolidated a core team. In 2019 we are fully integrating our financial sustainability approach across the 12 impact goals. This means broadening the processes and approach from being incubated in a core BD team that took ownership of the full process to the BD team driving a pipeline of opportunities across EIT Climate-KIC and providing the specialist resource to manage key accounts, develop proposals, propositions and product offers, and manage client care. The client/funder relationships will be increasingly held with the Theme- and Geography teams and our delivery function will be further developed in 2019 to increase our capacity for a multi-funder approach. This will all be supported by the increased brand profile and integration of the impact goal framework. In 2018 the Executive Team increased their role and ownership of business development activities, which will continue in 2019 as we build a stronger set of relationships (figure 6.)

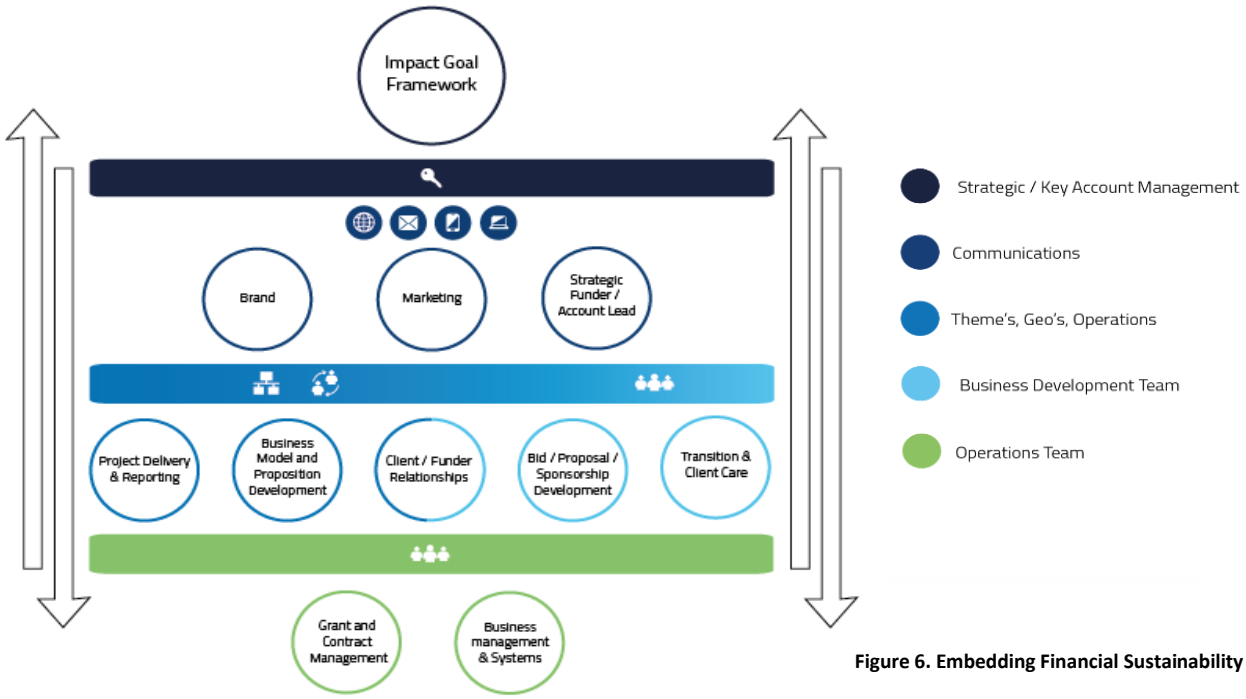

Figure 6. Embedding Financial Sustainability

The approach described above underpins our financial sustainability strategy and in 2019 we are continuing to focus on the four areas identified in 2018:

Table 17: Financial Sustainability by Focus Area

Focus Area	Highlights 2018	2019 Investment Plans	Expected outcomes
Impact Goal offers to major grant bodies and foundations	Established non-EIT grant funding associated with impact goal 11 including a series of H2020, ERASMUS+ and Copernicus grants relating to space data and UK government funding working on Global Centre for Disaster Protection. Two large H2020 projects won are: CICERONE, Circular Economy platform for European priorities strategic agenda; and SCALER, Scaling European Resources with Industrial Symbiosis. Partnership under development with Climate Breakthrough and project secured to expand the role of the WINnERS project with the Climate Justice Resilient Fund.	Invest in the BD and ecosystem development to attract at least three strategic funding relations across multiple impact goal areas; and target one major funder per impact goal area. This includes implementing the geography and thematic financial sustainability strategies which blend established national government and foundation relationships, with pan European programmes such as success in leading funding calls to the European commission and relationship with EIB, and expanding our global role through our growing portfolio with organisations such as IFAD, AfDB, the Adaptation Fund, IADB and UNDP, and partnerships with organisations like C40, 100RC, Caixa and SITRA.	Maintained and expanded existing relationships for all impact goals. Converted relationships into funded projects or programmes across three other impact goals Developed a new major cross impact goal funding relationship.
Products and Services	Established repeat services offers with MunichRE in the DACH accelerator, Zurich Climathon and a service line on open innovation that has been run with Nordic Edge, Fedex and multiple cities and companies. Circular economy programme under development in Slovenia.	Establish corporate innovation as a partnership offer linking accelerator services with the open innovation approach and create the conditions in each geography to offer this partnership. Development and roll-out of EIT Climate-KIC innovation label. Climathon as service offer expanded to more countries and increase in fees for education programmes including the Journey.	Establish two new partnerships like MunichRE in other EIT Climate-KIC accelerator locations. Multiple products carrying innovation label and SLAs in place for funding.
Partnerships	Grown our partnership to 330 organisations across our impact goals.	Maintain partner levels and create additional partner value as EIT Climate-KIC Holding increases its offer as a backbone organisation.	Maintain the level of partnership with an increased offer to community members.

Sponsorship	Set of sponsorship packages developed and trialled on the major EIT Climate-KIC programmes Climathon, ClimateLaunchpad, and Climate Innovation Summit. Sponsorships Action Plan implemented, internal capacity for sponsor outreach and management strengthened.	Expand the sponsorship offer on Climathon, ClimateLaunchpad, Climate Innovation Summit and Accelerators. Increased outreach, and both product suite and focused offers. Journey placement sponsorship offer created.	Grow the total of Tier 1, 2 and 3 sponsorships by 100 per cent compared to 2018. Target 100 potential sponsors for the combined product suite of Climathon, ClimateLaunchpad and Climate Innovation Summit, Accelerators and Journey.

Report on our progress: In 2017 whilst our revenue was below our target we achieved a 43 per cent increase on our 2016 revenues. In the 2018 pipeline we are tracking €5.3m (96 per cent increase) with 4 months left we expect to return revenue from the CIS and Climathon in October. Within the pipeline are also a number of opportunities for larger strategic funding relations with entities such as: EIB, Adaptation Fund and WINnERS (multiple donors), DfID, AfDB, EBRD, in addition conversations have been started with several large foundations. Due to their size these opportunities are currently not well represented in the pipeline as wins have a significant impact on revenue. As we develop our approach we are increasing the number of larger opportunities which also means that we can better represent the opportunities as a group. We will achieve this by focusing on our impact goals and continuing to increase the capacity for BD across the organisation. We have already demonstrated that this is possible through successive grants along offers around impact goals for climate risk information, climate smart agriculture and Circular Economy. We have established a flexible approach to be able to scale as we bring in these opportunities, but going into 2019 we are not only targeting an improved level of non-EIT revenue but also more accurate forecasting of our revenue as we build portfolios around impact goals, expand the products and services that are gaining traction and stabilise a set of sponsorship offers on our major assets.

In 2019 we will continue with the revised approach outlined above, developing progressive growth in revenue and reputation in each of the four streams of our sustainable business model. This will also involve further strengthening our capacity to work across multiple clients, handle diverse funding streams, and monetise existing assets. We will focus on: (i) building the capacity for business development across impact goal teams; (ii) capitalising on our systems innovation capability to attract new funders; and (iii) investing in the capacity to sell our maturing sponsorship and product suite to corporates.

We will also build on our work in 2018 to explore the opportunities to attract risk capital and patient capital to the portfolio of innovations we are supporting, with a mechanism for financial benefit to EIT Climate-KIC. We are undertaking the necessary assessments and practical steps needed to introduce conditional ROI models to aspects of EIT Climate-KIC granting in 2018 and in 2019 will introduce capital as a lever for systemic change and long-term impact. This includes building on our work to evaluate approaches to equity in our start-ups, building a portfolio of spin-out equity approach and the introduction of an evergreen EIT Climate-KIC investment fund. This activity will draw on resources in KAVA 3.2.1, 6.1.2 and 8.1.2.

Our targets for 2018-2020

Table 18: Non-EIT revenue forecasts and business model targets

	2017	2018	2019	2022
Non-EIT revenue forecasts	€3.9m	€7m	€12.75m	€37.6m
Actual	£2.65m (43% increase on previous year)	Discounted Pipeline as of Aug 2018 (€5.3m)		
Business model targets	Establish a small core financial sustainability function, developing expertise in all revenue types. Developed business models for all four revenue streams. Evidence of Non-EIT revenues earned for all 4 revenue streams.	Grow a delivery unit for non-EIT revenue with core transferable skills. Growth of non-EIT revenues earned for all 4 revenue streams cf. 2017. A small number of large-scale opportunities will be won.	2-3 major contracts with large funders come into operations; a greater number of large contracts will be won. All core activities have substantial non-EIT revenues from multiple sources.	EIT Climate-KIC established on the European and global market as one of the major climate innovation business partners for all major private and public agencies working in the climate field. EIT Climate-KIC continues to attract and retain best partners. 50 per cent of non-EIT revenues are 'repeat business'.

C4. Contribution to the EIT community brand identity, communications, dissemination and outreach

The activation of our community is critical for achieving impact, and this is enabled and sustained through the EIT and EIT Climate-KIC brand. In 2019 we will consolidate our outreach and dissemination work in the Outreach Hub, and promote the activity of the community and bring our value proposition to life by:

- Developing a strong brand that unites a distributed organisation and community around a shared vision and narrative, supported by rich, trusted content, valued by decision makers and the public alike as a source of insight and inspiration;
- Using Public Relations, media and campaign strategies, to build influence among policymakers and business leaders;
- Through a network of journalists, developing our unique position as convenor, connector and catalyst in systems innovation in our 12 impact goals;
- Further connecting our community and giving it a voice.

This will build on the dissemination efforts established for each of our activities, but also promote the work across impact goals and across the community, raising the profile of the community as a whole. The brand will be grown through collectively promoting the shared experience and success of the community, embedding our new procedures to ensure the use of brand guidelines, and given reach and strength through the network of partners. In 2019 we will:

- Amplify our partners' success, achieving outreach for our impact goal areas and adding value to the EIT and EIT Climate-KIC brand, supporting community activation and ecosystem development;
- Raise the profile of our community's collective intelligence, and exchange knowledge with a wider community around the impact goals to create thought leadership that can be exploited through PR-media and events;
- Establish a network of brand ambassadors that support EIT Climate-KICs value proposition and financial sustainability;
- Visualise the Theory of Change so that it has broad appeal and demonstrates the leadership of the community in these key areas.

In 2019 we will look to further develop communication **synergies across our activities**, to ensure that the production and use of resources, tools, tailored communications plans, blue-print materials and templates, are consistent with the brand and leveraged by the whole organisation. The aim is to offer a consolidated service across the community to support communications for impact, as well as supporting brand-requirements dissemination.

In this spirit, **Marketing, Publicity, and Media Relations support** will be delivered by the Outreach Hub for our Innovation, Ecosystem, Education and Entrepreneurship activities, to promote the programmes and projects; to scout potential start-ups; attract the best calibre of education participants; draw investors; reach relevant stakeholders; and engage the public. This will include developing project case studies and success stories, positioning content, developing targeted advertising, and creating communications collateral.

Building a stronger narrative around our impact goals and Theory of Change through active follow-up of projects, and building content to support research and insight questions will likewise help to connect our community and give it a voice. **Content and social media activity** will in 2019 continue to build visibility and throw light on who is engaging with/reading about our achievements in catalysing systemic change. This is essential to the promotion of the work of our community and the dissemination of our projects and activities. The overall goal is to facilitate better sharing and dissemination of stories and to help shape a community narrative that is relevant to external stakeholders. Content will be organised into the **Innovation Review,** a content section on the EIT Climate-KIC.org website (and corresponding newsletter) launched in 2018, featuring content blocks, covering a community spotlight interview, an innovation spotlight feature, news and updates, publications and reports.

Moreover, in 2019 EIT Climate-KIC will build an **in-house Media** function to provide greater agility in gathering and leveraging success stories and insights from the content development for a media audience. This will increase our influence within industries and sectors related to our impact goals as well as with policymakers. We will identify key journalists and influencers with whom we will connect with on specific climate innovation topics and organise open days and media outreach events to connect with journalists and boost their awareness of EIT projects and innovations.

Wider **events** will also form a crucial part of EIT Climate-KIC's outreach and dissemination activities. They are where we will communicate about our success and insights by engaging in key dialogues across our Geographies and beyond. Events range from local partner and community days, to our global **Climathon** and large annual **Climate Innovation Summit**, showcasing our efforts to drive systemic change towards a zero-carbon economy.

Based on learnings from our campaign work done in 2018 on innovation for sustainable finance – 'Mission Possible' - we will again in 2019 implement a '**campaign logic'** to our external communications. This will involve focusing our attention on a particular impact goal and set of coordinated messages, using multiple opportunities to engage audiences around these messages over a time-bound period and across multiple locations.

Finally, to measure the success of our communication activities and to learn from past activities, we will continue to implement **regular reporting on our performance** to optimise outreach and dissemination activities. We will systematically gather and analyse major communication touch-points in media, social media, events and other contacts with our stakeholders, and build a baseline for more sophisticated reporting and target setting.

C5. EIT Regional Innovation Scheme (EIT RIS)

Our overall EIT RIS approach is informed by our EIT RIS 2018-2020 strategy which lays down our geographic scope, engagement strategy and future ambition. The EIT RIS programme is an essential vehicle for delivering activity and impact across all EU member states: all countries need to deliver their part of the EU's collective mitigation commitment and put in place adaptation plans. EIT Climate-KIC continues to play a positive role in helping all countries achieve the goals of the 2020 package, and in mobilising ambition around the EU's future 2050 Decarbonisation Strategy. The EIT RIS countries attract specific attention in this context as they tend to be among Europe's worst greenhouse gas emitters, many will face the highest adaptation costs and impacts, and despite having some of the largest European Commission funding available (e.g. the ERDF/ESIF) to address the transition, they often have a poor track record of targeting funds to achieve mitigation or

adaptation impact. The EIT's motivation[30] for the EIT RIS scheme is to play an active role in helping level Europe's innovation playing field. EIT Climate-KIC is keen to play its role in achieving this. We also recognise that local challenges spawn local innovation: while different countries may score differently on the European innovation scoreboard, we are keen to learn from the RIS and to help local innovation ecosystems achieve high impact, through the EIT RIS programme and by connecting them to our community.

Given the high strategic priority of transition and its growing relevance for EIT Climate-KIC in terms of future revenue targets, we will put 'transition' at the core of our EIT RIS programme and use it as a testbed to work with member state governments, articulating the climate and innovation agenda within cohesion policy. We will focus on securing pilots with member state governments to support low carbon transition(s). Design principles include: place-based implementation; an agile methodology based on do-learn-evolve approach; a transferable and scalable approach – mixing learning with service offer development; implicitly adopting a pan-European reach, mixing relationships with leading players and targeting where needs are highest; and developing a practical and understandable intervention model to win stakeholder confidence and appetite for engagement.

Geographic ambition: In 2018, EIT Climate-KIC has been active in all 17 of the RIS-eligible EU Member States (11 through the RIS programme and 6 through our Geographies), plus in one Horizon 2020 Associated country (Serbia). Following our 2018-2020 strategy we extended our geographic scope to cover Croatia, Lithuania and Greece, meaning our network of EIT Climate-KIC RIS Hubs now spans twelve countries: Bulgaria, Croatia, Cyprus, Estonia, Greece, Latvia, Lithuania, Malta, Portugal, Romania, Serbia and Slovenia. In 2019, we will continue to locally embed our Hubs and expand our coverage of the Balkan Region, based on our existing Serbian, Slovenian and new Croatian Hubs. We will build relationships with the remaining Associated countries via engagement with UNDP and other donors. We will continue to manage the EIT RIS programme with a dedicated programme manager. However, as our Mediterranean and Central-Eastern European (CEE) Geographies encompass the bulk of the RIS eligible countries, we have bolstered the outreach and capacity building efforts in these countries via dedicated EIT RIS liaison officers in the two Geographies, tasked with identification of synergies. The EIT RIS programme manager will focus on links with our wider thematic programmes and geographic footprint, and integration of the whole programme.

By 2020, we will have strong Hubs operating in all EU member states, with activities recognised by member state (national and local) governments and visible among Brussels stakeholders.

Contribution to financial sustainability: Achieving higher impact requires better coordination of European and local funding to build capacity. This means better connecting the EIT Climate-KIC initiatives to ERDF/ESIF funds devolved to local management. We will support our Hubs and Partners in developing strong relationships with the (national and local) public sector authorities that control these funds. Where scaling is required, we will build relations to entrain EIB and EBRD funding. In the associated countries, we will target EBRD and donor funding and explore alignment with DG NEAR priorities.

Partnership approach: EIT Climate-KIC is fully aligned with EIT RIS guidelines: we prioritise knowledge triangle integration as we build our partnerships and recruit a consortium of partners representing the knowledge triangle apexes. These must be able to play a leading role in meeting local climate change challenges while aligning with our impact goals.

Programme content and timelines: Section D describes the details of our EIT RIS programme. In meeting Europe's climate challenges, the EIT RIS programme is fully aligned with the 2030 targets and priorities set in our Themes. These are also influenced by: (a) preparing for EIT RIS countries, consortia and partners to be full participants in the pan-European KIC by the end of 2020 and absorbed into our CEE and MED Geographies; and (b) focusing our attention where climate action is needed most acutely to deliver the EU's climate commitments.

By 2020 we will: (i) have strong place-based urban pilots working to achieve urban energy transition in eastern and southern Europe; (ii) have an eastern European industrial cluster playing a role in our Re-Industrialise Flagship and be helping EIT RIS countries translate circular economy goals into their regional economic development agendas; (iii) be a leader in helping RIS countries in southern and south-eastern Europe put in place adaptation plans to manage impacts on agri-food and forestry value chains; and (iv) have

[30] The EIT Regional Innovation Scheme (EIT RIS) is the EIT Community's outreach scheme. In EIT's words: 'the scheme enables the transfer of good practices and know-how from the EIT's unique approach to boosting innovation. The objective of the EIT RIS is to contribute to boosting the ability to innovate of countries and regions in Europe that belong to the groups of so-called 'modest and moderate' innovators (according to the European Innovation Scoreboard).'

spurred a step-change throughout the EIT RIS in the ability to formulate investable green projects and attract funding for implementation.

We already have strong education and start-up creation programmes operating pan-RIS. We will continue to spread this across our new intake in 2019 and will develop additional education and capacity-building vehicles to address EIT RIS country needs.

Our overall 2019 priorities will be:

(i) continuing to ensure the Journey summer school focuses on strong EIT RIS country participation, ensuring tomorrow's change-makers experience the challenges faced by EIT RIS countries and encourage RIS-based students to experience career-targeted placements elsewhere in Europe;
(ii) better matching and targeting of Pioneers into Practice and Professional Education programmes to align with EIT RIS country - and partner/ecosystem - needs;
(iii) developing additional education and capacity-building activities to address knowledge triangle integration as well as concrete challenges experienced in EIT RIS countries, drawing on best practice in our network, matching this to EIT RIS needs through careful analysis and relationship building;
(iv) Developing activities focused on city engagement as well as working with local authorities addressing their challenges in transitioning to a low-carbon, circular economy;
(v) Bolstering Knowledge Triangle Integration in EIT RIS countries by working with our Hubs to have at least three partners representing the knowledge triangle apexes in each of the current Hubs.

The 2019 priorities for our EIT RIS start-up acceleration programme will be to:

(i) further adapt and strengthen the common EIT RIS accelerator content/curriculum approach to new intake, prioritising pan-European mobility and interaction;
(ii) seek co-investment in the RIS accelerator;
(iii) explore how we can team with other KICs to develop shared accelerator resources/programmes with an RIS framework.

D. Design, selection and management of the EIT Climate-KIC portfolio of activities

In 2019 we are curating our portfolio to deliver impact across our 12 climate innovation Impact Goals by scaling successful innovation, supporting new business creation and new innovations, intervening with cutting-edge approaches to education, and extending our ecosystems and community. We will coordinate a series of interventions in a portfolio approach, in which the Areas and their associated Segments and Activities (KAVAs) are working actively, effectively and collaboratively towards unlocking change in whole systems towards the Impact Goals. In this way, we expect to build a strong community of practice that achieves a significant contribution to economic growth, competitiveness, innovation, knowledge triangle integration, job creation and skills.

The KAVA structure of our 2019 portfolio is closely aligned to the structure we developed in 2018, with its orientation towards achieving impact and clarity of purpose (see Annex A for more detailed analysis). This allows us to further develop activities within the framework established in 2018, whilst at the same time identifying the interconnections and interventions that enable systemic change and scale solutions through a portfolio approach. We will learn from the activities conducted across our KAVA Areas.

Activities span the entire European landscape and are brokered, co-created and coordinated by our distributed teams based in our Geographies and RIS hubs. This helps ensure that we draw on the best that Europe can offer and that all parts of our community are engaged.

We continue to increase our alignment with EU programmes and are working with other KICs to coordinate our approach. This is outlined in our synergies roadmap in Annex C.

Our 2019 KAVA structure has the additional benefits of:

- The increased granularity at KAVA-level that we first piloted in 2018, to manage the joint and several liabilities of KAVA participants effectively, and to improve planning, monitoring and reporting for each KAVA.
- A powerful monitoring, evaluation and learning function (KAVA 6.1.1), ready to use evidence to support real time learning and adjustment across Areas and KAVAs.
- A new ‘Learning Hub’ KAVA (KAVA 4.1.4) which draws together capacity building and skills activities from across KAVAs for efficiency gain, greater scaling opportunities, improved KTI and best practice sharing.
- A new approach that consolidates our dissemination and outreach activity in to a whole-EIT Climate-KIC plan and delivery function (KAVA 5.1.1).
- Flagships defined in the context of the impact goals, connecting activity across EIT and non-EIT funded activity on key levers of change (KAVAs 2.6.1 to 2.13.1).

In 2019, we will also update our project ‘call and selection’ approach from one that is currently programme-based (e.g. early-stage innovation, later-stage innovation) to one that is fully portfolio-based (around all our impact goals). Our process, principles and quality control approach to selecting projects and partners where these are not already allocated within KAVAs are described in Annex A.

Included in Table 19 are the Area, Segment and KAVA titles, including the number of activities and average budget costs.

Table 19: Area-Segment structure of EIT Climate-KIC's 2019 business plan portfolio

AREA	SEGMENT	Number of KAVAs		Budget
		Started before 2019 and running (including introduced in BP2018 Amend)	New in 2019	Average EIT Grant per KAVA (MEUR)
Area 1 - Ecosystems and Community	**Climate Innovation Ecosystems**	8	0	0.7
	Community Activation	2	0	0.5
Area 2 – Innovation	**Early Stage Innovation**	6	0	1
	UT Later Stage	8	0	0.6
	SLU Later Stage	5	0	0.7
	SPS Later Stage	6	0	0.6
	DMF Later Stage	8	0	0.5
	SSD Flagship	5	0	0.4
	BTA Flagship	7	0	0.4
	CSAb Flagship	2	0	0.9
	Forestry Flagship	3	1	0.5
	eCircular Flagship	2	0	0.7
	Re-industrialise Flagship	2	0	0.6
	LoCal Flagship	5	0	0.3
	CRI Flagship	5	0	0.4
Area 3 - Entrepreneurship	**New Business Creation**	8	0	1.6
	Scaling support	0	1	1.1
Area 4 - Education	**Education and capacity building**	4	0	1.7
Area 5 – Dissemination and outreach	**Dissemination and outreach**	2	0	1.2
Area 6 - Systems Innovation Capability	**Systems Innovation Capability**	3	1	1.1
Area 7 - EIT Regional Innovation Scheme (RIS)	**RIS**	4	0	1.2
Area 8 - Management	**Management**	10	0	1
Area 9 - Cross-KIC Scheme	**Cross-KIC**	5	0	0.3

Area 1: Ecosystems and Community

At EIT Climate-KIC we recognise that our community and the ecosystems we orchestrate, engage and build are the strongest resource for delivering on our impact goals. We strive for a highly-connected, energetic, diverse and creative community of Europe's best climate innovators from across the Knowledge Triangle. By forging strategic relationships, we can drive this innovation community to trigger the system-wide changes needed for rapid decarbonisation and resilience.

This Area will therefore in 2019 be dedicated to activities around Climate Innovation Ecosystems and Community Activation. The Area includes two segments: the Climate Innovation Ecosystems Segment (1.1.) which has a focus on stimulating local innovation ecosystems (Pioneers into Practice 1.1.1.), creating knowledge and contributing to the evolving climate change policy agenda (Transition Hub 1.1.2.) and establishing networks for developing and implementing climate innovation, working with partnerships across sectors, at multiple levels of government and undertaking exchanges of innovation experience and expertise globally (Climate Innovation Ecosystems 1.1.3). The Community Segment (1.2.) on the other hand focuses on shaping bolder and more ambitious projects across EIT Climate-KIC and our alumni community (Community Activation) and connecting our knowledge and innovation community to a wider external audience and bigger societal, economic context (Climate Innovation Summit). These activities will be mutually reinforcing and help to build our overall capacity to orchestrate ecosystems, undertake systems innovation, and build and enrich communities. Together these elements will connect people, disciplines and stakeholders and create a vibrant innovation community to address our Impact Goals.

Segment 1.1: Climate Innovation Ecosystems

Building place-based capacity for systems innovation is vital to EIT Climate-KIC's Theory of Change and to the broad approach to innovation that the EIT and EU seek to pursue. Increasingly, commentators and architects of the European approach to innovation have shifted away from a linear process driven by the science lab,

to a new 'broad-based' approach, recognising that the ability of society to develop new solutions requires a wide partnership of actors. This broader innovation model takes many forms and is not limited to new products; increasingly recognising the distinctive role of place within an evolving system of multi-level governance.

In 2019 we are focusing Area 1-Segment 1, on turning places and networks into climate innovation hotspots. Orchestrating innovation ecosystems across Geographies and Themes is the starting point for our knowledge triangle integration (KTI) and innovation activities. The activities within this area combine a range of education, skills, knowledge, policy and partnership-based approaches to help create a landscape across and beyond Europe, where ecosystems are ready to lead and host systems-wide climate action.

KAVA 1.1.1: Pioneers into Practice
This KAVA delivers the Pioneers into Practice Programme, a professional mobility programme operating in eight European locations (and a further 12 RIS locations), consisting of a 4-6-week placement, bespoke transitions thinking training, and systems innovation coaching delivered through a structured workshop programme, group projects and online courses. The KAVA's key objectives for 2019 are to connect professionals and organisations with systems innovation knowledge and skills, to expand Pioneers into Practice across Europe and beyond, and to innovate programme design by continuing to be a test-bed in new learning approaches.

KAVA 1.1.2: The Transitions Hub
The Transitions Hub is an in-house lab unit on knowledge development and policy learning for place-based system innovation for a low carbon economy. It enables knowledge creation and learning across the Impact Goals through its value chain process: Knowledge development – Test and Experimentation – Policy learning. This KAVA will contribute to the evolving climate change policy agenda working with EU institutions and networks, most notably the DG REGIO, the JRC, and European Environmental Agency. It will position EIT Climate-KIC as a reference on applied transitions frameworks, stimulating the internal development and the external validation of knowledge services and technical assistance, and consolidating science-policy-practice interface as a mechanism to create value, to engage with partners and to produce practice-based knowledge and solutions. Activities of this KAVA will focus on developing knowledge assets (guidelines, handbooks and practice-bases technical material on innovation and policy), supporting a series of pilots and experiments in collaboration with Themes, the RIS programme and EU intuitions such as DG Regio and the Joint Research Centre (JRC) and producing academic publications.

KAVA 1.1.3: Climate Innovation Ecosystems
The Innovation Ecosystem KAVA sets the scene for EIT Climate-KIC's overall innovation activity. Rather than focusing on single point technological solutions of primarily incremental impact this KAVA is looking to focus on catalysing transformative, systemic change through systems innovation, steered by a theory of change focused on human agency in the transformation of systems. The key objectives of this KAVA are i) to nurture capacity for systems climate innovation, ii) to establish networks of actors to develop and implement innovation policy and learning amongst themselves, iii) to convene and work with partnerships that promote hotspots and strands of systems innovation at multiple levels of government in Europe and iv) to undertake exchanges of innovation experience and expertise globally.

KAVAs 1.1.4. to 1.1.8: Ecosystems projects
These include 1.1.4 Circular city, 1.1.5 Connected Clusters, 1.1.6 SATURN, 1.1.7 Circular Economy Network of Ports and 1.1.8 European Financial Centres for Green & Sustainable Finance.

Segment 1.2: Community Activation

Our community is what gives EIT Climate-KIC an unrivalled breadth of knowledge and expertise. In this Segment, we will strengthen our community by increasing participation and interaction across Impact Goals and fostering external interaction with the work of the community. There are two KAVAs in this segment. The Community Activation KAVA (1.2.1) will focus on making our community stronger and bolder from the inside by helping build more ambitious projects and a more qualitative service offer, and by mobilising our alumni community to be agents of change. The Climate Innovation Summit (1.2.2) will complement this work by fostering dialogue and discussion with a larger audience to sustain our reflection and future innovation projects.

KAVA 1.2.1: Community Activation
The Community Activation KAVA brings together and harnesses the collective intelligence of the EIT Climate-KIC Community to drive greater impact through systems innovation. The Community Activation KAVA's key 2019 objectives will be to i) shape bolder and more ambitious projects across the organisation, ii) enhance

the quality of the EIT Climate-KIC's service offer, iii) harness and share collective intelligence to drive smarter matchmaking activities and iv) mobilise the alumni community to be agents of change. The work of this KAVA will include cooperation with KAVA 6.1.3. Research and thought leadership. Activities will include the following: i) working with EIT Climate-KIC Themes, Geographies or Programmes to identify experiment opportunities, to co-design and execute four 6-12 month programmes of work using cutting-edge methodologies, and to measure our impact, ii) running four Deep-dive sessions for some of the best thinkers in Europe to work with us to peer-review our activities, galvanise a new group of partners and develop highly innovative solutions to key climate challenges, iii) undertaking three initiatives on data innovation approaches, including analysing key innovation trends with our community, collecting and analysing micronarratives from across our community and testing the viability and demand for an online communication platform to support the work of the community, and iv) co-designing with our Alumni Association a programme of activities.

KAVA 1.2.2: Climate Innovation Summit

The Climate Innovation Summit (CIS) is EIT Climate-KIC's flagship multi-day event, showcasing our Community's efforts to drive systemic change towards a zero-carbon economy. At the heart of its content, dialogue and discussion will be the fruits of our experiments and innovation projects that take place throughout the year. Objectives of this KAVA will be to increase the impact of the CIS 2019, to obtain significant financial support by the chosen host nation/city, raise sponsorship and delegate revenue in 2019 to reach 75 per cent of the CIS budget, and to grow from 600 participants (2018) to 800 participants (2019).

Area 2: Innovation

This area focuses on EIT Climate-KIC's innovation activities, including 2.1 Early Stage innovation, 2.2 Later Stage Innovation, and 2.3 Flagships. In 2018, we aligned our innovation activities to the Impact Goals - in 2019 we will be strengthening this approach. Our Flagship programmes – having incubated the Impact Goals in key areas – are transitioning to become programmes that link the portfolio and coordinate focused parts of the EIT Climate-KIC Community to target key levers of change. Our Early Stage projects will continue to support the development of ideas that build on the strengths of clusters and ecosystems across our Geographies, and we will continue to connect Early Stage with Later Stage projects. In addition, through the portfolio approach, as well as the new entrepreneurship scaling mechanism (Area 3), we will work further to connect the Innovation activities to the start-up community. The Innovation Area's impact will likewise be maximised through interaction with the Learning Hub (Area 4) and Outreach and Dissemination activities (Area 5). This approach takes into account the feedback from the assessors in 2018, builds on the success of our 2018 approach, and accelerates outcomes and impacts across our 12 Impact Goals.

The 12 Impact Goals will shape the deliberate choices we make when assembling and filtering the portfolio of projects we support in this Area. The selection process will be open and robust with a strong commitment to quality control (see Annex A). EIT Climate-KIC's Innovation Team will coordinate the delivery of the innovation programme. The team of Innovation Leads and Portfolio Managers drawn from our geographic and thematic teams will advise partners on the development of ideas and proposals, organise ideation events, and facilitate collaboration across the community.

Segment 2.1: Early Stage Innovation

EIT Climate-KIC believes that Early Stage innovation activities are critical for developing innovation capability and laying the foundations for compelling, high-value propositions that attract investment and deliver impact. The objective of this programme is to develop high-quality Early Stage proposals that deliver change around the 12 Impact Goals. Complex interconnected challenges like climate change must be tackled by assembling key actors to change systems. Early Stage innovation, therefore, is not about supporting business as usual, but exploring systemic change and the collaborations, innovations and business models needed to achieve it. All this is done at an Early Stage when it is less costly to experiment and learn. The knowledge and understanding acquired by our community through this experimentation will be harnessed to provide feedback loops that inform strategy and implementation.

The Early Stage innovation activity will follow several key principles. It will (i) be based on an open and transparent approach to systemic climate innovation, (ii) identify and tackle key challenges as set out in EIT Climate-KIC's Impact Goals, (iii) design, identify and gather appropriate consortia to respond to the identified challenges, (iv) explore a broad range of proposed innovations to address these challenges – including technological, organisational, business, and financial, (v) support cross-sector and transnational collaboration, (vi) enable rapid testing of innovative propositions and provide strong foundations for Later Stage innovation activities, and (vii) provide a rich source of knowledge and learning to inform strategy and implementation.

EIT Climate-KIC has an established and proven programme for stimulating Early Stage Innovation within our partner community, with three types of activity as follows:

Ideation events, workshops and competitions: to enable partners to share ideas, connect, address specific problems, and define proposals that address our Impact Goals.

Pathfinder projects: partners build consortia to explore and confirm an innovation opportunity with potential for significant impact related to our Impact Goals.

Partner Accelerator: to validate business models, making innovation endeavours more attractive to investment, and reducing risks in further development. Partner consortia are eligible to submit a Partner Accelerator proposal on successful completion of a Pathfinder project, or if they can demonstrate they have clearly identified an innovation opportunity. The programme provides (i) clarity on the innovation outcome to be pursued, (ii) clarity on the value proposition and (iii) coherent narrative to attract investors. This offers (i) confidence that the team understands expected outcomes, (ii) reduced EIT Climate-KIC funding risk in the Later Stage innovation phase, and (iii) confidence in the climate relevance. The principal output of the Partner Accelerator programme is a portfolio of validated business models, including in-depth customer investigations. A secondary output is an assessment of climate relevance.

As explained in Annex A – Programme Operations of EIT Climate-KIC Business Plan 2019, part of the budget, especially for Early Stage Innovation, remains unallocated to enable our community to quickly respond to short term early stage ideas that can enable new innovation opportunities within the year. Early Stage Innovation unallocated budget is retained by Climate-KIC Holding BV and distributed to partners through the call and selection process. 'Unallocated' funds are not with the Geographies as all Climate-KIC Partners enter in contractual agreements directly with Climate-KIC Holding BV, which will then release the funds after the project is selected. The unallocated funds in KAVAs 2.1.1 to 2.1.6 are to be distributed to partners for Early Stage Projects in each Geography.

KAVA 2.1.1: Early Stage – Benelux
This KAVA is dedicated to the scientific co-ordination of Early Stage Innovation Projects and the delivery of ideation and matchmaking activities in the Benelux Geography, related to the 12 Impact Goals. Objectives of the KAVA are to provide scientific co-ordination of up to 8 Early Stage Innovation projects (Pathfinder and Partner Accelerator projects) and to organise up to 4 ideation and matchmaking activities/events (e.g. Climate Innovation Experience and quarterly events for EIT Climate-KIC Benelux Community Members). To reach these objectives, activities will include Scientific Co-ordination, Project Pipeline Development, and Matchmaking/Ideation Activities, as well as sourcing, selection and delivery of Early-Stage Innovation Projects and Ideation Projects in the Benelux Geography.

KAVA 2.1.2: Early Stage – Central and Eastern Europe
This KAVA will deliver ideation and matchmaking activities to initiate Early Stage Innovation projects and will provide scientific coordination of such projects in the Central and Eastern Europe (CEE) Geography. The Early Stage Activities will focus on the priority areas of the CEE Geography: Air pollution; Transition of coal regions; Climate-Smart Agriculture; and Urban Transitions. These activities will support CEE to strengthen the innovation ecosystem and activity will follow the expansion and stronger engagement of Czech and Slovakian ecosystem. The 2019 activities include the organisation of at least 4 Ideation Workshops, 2 partner events and the sourcing, selection and delivery of up to 7 Pathfinder and Partner Accelerator projects.

KAVA 2.1.3: Early Stage – DACH
This KAVA is dedicated to the scientific co-ordination of Early Stage Innovation Projects and the delivery of ideation and matchmaking activities in the DACH Geography (Germany, Austria, Switzerland) related to the Impact Goals and delivering ideation and matchmaking activities. In 2019, the key objectives will be to provide an opportunity for partners to collaborate and ideate around projects and to select and provide scientific coordination for Pathfinder and Partner Accelerator projects. The work will specifically focus on coordinating clusters of projects in Impact Goals 1, 7 and 10. Activities will include the organisation of at least 5 ideation events, and the coordination of 8-10 early stage projects.

KAVA 2.1.4: Early Stage – MED
This KAVA aims to engage Mediterranean Geography (MED) partners to nurture an innovation portfolio towards the 12 Impact Goals and related/transversal MED priority areas such as water resilience; well-being in cities; territorial ecology, forests, agricultural value chains and biomass valorisation; and financial schemes for sustainability. Objectives in 2019 are to i) develop up to 15 innovation ideas against the Impact Goals in line with MED priority areas, ii) validate up to 5 innovation applications and businesses, iii) integrate and share the knowledge of MED partners with other Geographies and Theme teams and iv) catalyse co-

construction for later stage innovation. Activities include i) sourcing, selection, delivery and scientific coordination of up to 20 Pathfinder or Partner Accelerator projects, ii) organization of up to 3 ideation and matchmaking activities/events, iii) participation in other community events across Europe to foster collaboration, and iv) development of new partnerships and collaboration through innovation and experimentation.

KAVA 2.1.5: Early Stage – Nordic
This KAVA aims to strengthen the innovation capability of the Nordic Geography and its partners, providing the scientific coordination of Early Stage ideas and propositions addressing climate change through systems innovation. This will include the realisation of up to 8 early stage Pathfinder and Partner Accelerator Projects led by Nordic partners and the organisation of up to 2 Ideation Days in the Nordics resulting in up to 16 Ideation Projects. To reach these objectives, activities will include Scientific Co-ordination, Project Pipeline Development, and Matchmaking/Ideation Activities, as well as sourcing, selection and delivery of Early-Stage Innovation Projects and Ideation Projects in the Nordic Geography.

KAVA 2.1.6: Early Stage – UK and Ireland
This KAVA is dedicated to the scientific co-ordination of Early Stage Pathfinder Innovation Projects and delivery of ideation and matchmaking activities in the UK and Ireland Geography, related to the Impact Goals. Under this KAVA, work will focus on enhancing and expanding our partnership clusters in 4 main city-regions (London, Birmingham, Edinburgh and Dublin), with a specific focus on strategic priorities set out by the city-regions themselves (cleantech and zero-waste city economy for London; digital technology and design for Edinburgh; Energy Capital for Birmingham; and sustainable finance for Dublin). Through these priorities, the KAVA will specifically contribute to the achievement of Impact Goals 1, 3, 7, 10, 11 and 12. In 2019, the key objectives of the KAVA will be to provide an opportunity for partners to collaborate and ideate around projects and to select and provide scientific coordination for Pathfinder projects. Activities will include the organisation of 4 ideation events, and the coordination of 8-10 Pathfinder projects.

Segments 2.2-2.5: Later Stage Innovation

This Segment is focused on Later Stage innovation, supporting validated business models with a clear climate impact to ensure they reach their full potential and scale. Our Later Stage Programme is made up of 'Demonstrator' and 'Scaler' projects:

- The Demonstrator Programme is designed to support multiple stakeholders with funding and services to de-risk the demonstration of innovations. By enabling consortia, the Demonstrator Programme ensures the full range of technical and business knowledge and competencies are brought to play, thereby reducing the financial, technical and business risk associated with the latter stages of innovation and increasing attractiveness to investment and growth.
- The Scaler Programme provides funding and support for proven innovations and market-ready solutions to reach the next stage of replication. To turn innovation demonstrations into game-changers at scale, we will further develop our portfolio of Later Stage innovation interventions at a systems level, where there is a clear route to scaling the impact of the innovation.

Several of our Later Stage projects in 2019 will be continuing from 2018. All new ones will be selected through an open, robust innovation call process with a strong commitment to quality control (see Annex A). The focus in 2019 is to ensure that the projects are aligned with our Theory of Change and Impact goals. We will optimise support for projects with a whole-systems approach to innovation, where this innovation can be applied to the Impact Goals. We will also increase co-funding ratios by reinforcing compulsory minimum thresholds of 50 per cent for Later Stage projects and penalties for under-reporting against contract-bound levels. This Segment is split across our four Themes, each with a dedicated co-ordination and development KAVA, covering co-ordination, supervision, review and monitoring of projects as well as activities associated with Later Stage portfolio development (KAVAs 2.2.1, 2.3.1, 2.4.1, and 2.5.1).

KAVA 2.2.1: Urban Transitions (UT) Later Stage – Co-ordination and development
This KAVA covers the scientific coordination of Urban Transitions Later Stage Innovation Demonstrator and Scaler programmes. In 2019, , we will source and coordinate projects linked mainly with Impact Goal 2 and 3. However, fostering systems innovation in the city space necessarily means that the work of this KAVA will also contribute to Impact Goals 1, 6, 7, 11 and 12. Activities will include i) the scientific coordination of Later Stage projects (existing portfolio of multi-annual Demonstrator and Scaler projects) and ii) the sourcing of new Later Stage innovation projects during calls in 2019 (Demonstrator and Scaler projects). The existing portfolio of Demonstrator and Scaler projects coordinated by UT includes: 2.2.2. Reinventing Cities, 2.2.3. Sustainable Mobility Analysis as Service Hub (SMASH), 2.2.4. Urban Cool Islands, 2.2.5. Mobility as a Service (MaaS), 2.2.6. Inclusive Electric Vehicles, 2.2.7. BEST Energy CheckUp and 2.2.8. Polder Roof Fieldlabs.

KAVA 2.3.1: Sustainable Land Use (SLU) Later Stage – Co-ordination and development
This KAVA encompasses the activities associated with developing and implementing new Later Stage projects within the Sustainable Land Use (SLU) Theme, related to Impact Goals 5 and 6. The two main objectives of this KAVA are i) to source new Later Stage Project (Demonstrator or Scaler) and ii) to support the delivery of 4 on-going and new Later Stage projects. In line with these two main objectives, this KAVA encompasses portfolio supervision and sourcing activities that (i) ensure Later Stage activities are consistent with our strategy and Theory of Change and (ii) prepare the ground for revenue diversification for innovations that are assessed as sufficiently mature and scalable.
The existing portfolio of Later Stage projects coordinated by SLU includes: 2.3.2. Landscape Finance Lab, 2.3.3. Forland, 2.3.4. Geofootprint and 2.3.5. Feed X.

KAVA 2.4.1: Sustainable Production Systems (SPS) Later Stage Innovation – Co-ordination and development
This KAVA supports the transition of industry to low-carbon practices and contributes to the achievement of Impact Goals 7, 8 and 9. Key objectives for 2019 are: i) To provide scientific coordination of new and already selected Later Stage projects, ii) To scout and develop new demonstrator projects and Scaler projects; iii) To mobilise community members and external stakeholders by hosting 2 pan-European workshops and attending more than 4 external events. This will be achieved through 3 cause-related SPS Programmes: the Loop Programme, the Well Below 2° Programme, and the Re-industrialise Programme.
The existing portfolio of Later Stage projects coordinated by SPS includes: 2.4.2. BBC2.0, 2.4.3. ZRR4Waste, 2.4.4. Innovative WEEE traceability and collection system and geo-interoperability of WEEE data, 2.4.5. B-PLAS Demonstrator Project and 2.4.6. Circular Kitchen.

KAVA 2.5.1: Decision, Metrics and Finance (DMF) Later Stage Innovation – Co-ordination and development
This KAVA supports the co-development and coordination of projects aiming to develop innovation opportunities into self-sustainable products or services that work towards mainstreaming climate in financial markets. We prioritize projects that can demonstrate end-user and financial sector involvement to ensure scaling and uptake of proven innovations. This KAVA will contribute to Impact Goals 11 and 12, as well as Impact Goals 8 and 10. Activities will include i) project co-ordination and Partner collaboration activities, ii) scientific coordination of new project proposals being received via competitive calls, iii) coordination of Earlier Stage projects' successful completion and their related proposals submission to the Later Stage programme.

The existing portfolio of Later Stage projects coordinated by DMF includes: 2.5.2. IFEET, 2.5.3. COMBI 3, 2.5.4. Re-imagining disclosure RID, 2.5.5. Aligning portfolios with Paris, 2.5.6. National Climate Technology and Investment Pathway (NCTIP), 2.5.7. REDDChain Pilot and 2.5.8. Climetrics.

Segments 2.6-2.13: Flagships

Our Flagship programmes, integral to achieving our Impact Goals, are where constellations of partners join into disruptive communities. Flagships are leading examples of knowledge triangle integration where SMEs, start-ups, universities, corporates and public bodies all collaborate around merged axes of innovation, education and entrepreneurship to drive change.

In 2019, the Flagships promote Innovation throughout Europe, and connecting the work across areas 1-5 to tackle key challenges within impact goals. The projects selected and coordinated by Flagship Programmes include Early and Later Stage projects contributing to the specific Impact Goal each Flagship is addressing. The 8 Flagships cover all Themes (2 Flagships per Theme) and reach all Geographies. The Flagships will draw on capacity-building expertise from the Learning Hub (KAVA 4.1.4), new business and scaling support from the Entrepreneurship Area (KAVAs 3.1.1 to 3.2.1), and Research and thought leadership support in KAVA 6.1.3. Flagships will also continue to coordinate innovation projects and learning events that are specific to key Impact Goal outputs. Each project has objectives aligned with our 2030 Impact Goals and described in the tables featured in section C1.

KAVA 2.6.1: SSD Flagship - Co-ordination and Development
The Smart Sustainable Districts (SSD) Flagship Programme supports city stakeholders to develop and deliver transformative sustainability projects at a city-district scale. Working at the district scale brings the complexity of whole-city urban sustainability challenges down to a more viable neighbourhood unit; and helps cities to plan, pilot and prove approaches that can then be scaled to city-wide implementation. The SSD Flagship is working to demonstrate that this is a replicable strategy that cities can use to accelerate transformative change across multiple impact areas. In 2019, the key objective is to help unlock systemic change at the city-district scale in more than 10 cities. In doing so, this KAVA will contribute to Impact Goals 1, 2, 3, 5, 8, 9, and 12. Activities will include i) developing, rapid prototyping and delivering an integrated city-

support programme and securing new investment to scale the delivery and impact of this programme, and ii) the Scientific Co-ordination and Pipeline Development of a portfolio of multi-annual Demonstrator and Scaler Projects.

SSD Flagship projects continuing in 2019 include: 2.6.2. Milano Merezzate+, 2.6.3. CELSIUS 2.0, 2.6.4. Smart District Data Infrastructure (SDDI), and 2.6.5. Sustainable Historic Districts.

KAVA 2.7.1: BTA Flagship - Co-ordination and Development
The Building Technologies Accelerator (BTA) Flagship Programme's key focus is to promote and accelerate the uptake of deep retrofit, combined (where feasible and cost effective) with decentralised energy in the context of a building, district or city. It directly contributes to Impact Goal 1, but also contributes to Impact Goals 2, 3 and 12. In 2019, the work in this KAVA will be around i) coordinating the delivery of existing multiannual Demonstrator and Scaler projects and documenting their impact, ii) drawing knowledge from existing initiatives in the wider Impact Goal 1 portfolio, as well as clustering and learning from early stage initiatives which could form part of the pipeline for 2019 and 2020, iii) enabling knowledge exchange across the EIT Climate-KIC community and other city and industry actors and iv) contributing to revenue diversification with pilot initiatives.

The continuing BTA Flagship projects include: 2.7.2. 2ndSKIN, 2.7.3. Façade Leasing, 2.7.4. SusCool, 2.7.5. All Wood, 2.7.6. User Centric Building Interaction (UCBI), and 2.7.7. SSO Virtual Reality Tool.

KAVA 2.8.1: CSAb Flagship - Co-ordination and Development
The CSA Booster (CSAb) Flagship aims to significantly increase the application of Climate-smart Agriculture (CSA) solutions, accelerate the transition to a climate-smart ("low-carbon") agriculture sector in Europe, and contribute to global sustainable development by reshaping agriculture and food systems. The key objectives of this KAVA are to i) continue to refine and adapt CSAb's strategy as appropriate and manage the Flagship programme competently and efficiently, ii) continue to manage and grow the CSAb multi-stakeholder partner community and ecosystem, and iii) firmly establish the CSA Booster as one of Europe's leading CSA innovation platforms, hubs and communities, fully contributing to the achievement of Impact Goal 4 – Make Agriculture Climate-Smart.

The continuing CSAb Flagship projects include: 2.8.2. Friendly Fruit as well as the Coal for Water project (directly coordinated under KAVA 2.8.1. CSAb Flagship - Co-ordination and Development).

KAVA 2.9.1: Forestry Flagship - Co-ordination and Development
This KAVA encompasses all activities associated with the development and implementation of the Forestry Flagship Programme. The activities structured under this KAVA are in line with Impact Goal 6, aiming to catalyse a sustainable forest economy in Europe and enhance the climate impact of forest ecosystems and related value chains. The objectives of this KAVA will be: to fine-tune, further develop and implement the strategic directions identified for this Flagship; to support the delivery of on-going projects; and to source new innovation projects. In addition, this KAVA aims to mobilise the ecosystem of EIT Climate-KIC partners and explore new synergies, with a view to improving the financial sustainability of the Forestry Flagship programme in the long-term.

The continuing Forestry Flagship projects include: 2.9.2. SmartaWood and 2.9.3. WeBio.

KAVA 2.10.1: eCircular Flagship - Co-ordination and Development
The eCircular Flagship Programme aims to accelerate the circularity of plastic-based material systems and dematerialisation of plastic demand and therefore supports the achievement of Impact Goal 7. The Flagship supports radical digital innovations, with the vision of a carbon-neutral material system by 2050. Policies and industry standards will also be explored, together with eco-design and new business models, to scale-up innovative solutions and to overcome the barriers identified by the eCircular Flagship. By the end of 2019, the eCircular Flagship expects to: finalise the eCircular strategy and integration with EU policy priorities and EIT Climate-KIC Theory of Change; and to co-create and scout 10-15 new Early Stage Projects and at least 1 Later Stage Project. Activities in this KAVA include the Scientific Coordination and Strategy Development of the eCircular Flagship, and the sourcing of new Early and Late Stage Projects to be selected from competitive calls during 2019 (see Annex A).

The eCircular Flagship Consortium activities will be implemented under KAVA 2.10.2.

KAVA 2.11.1: Re-industrialise Flagship - Co-ordination and Development
The mission of the Re-industrialise Flagship Programme is to support regional and local authorities, development agencies and companies from European industrial regions with high carbon emissions in planning, developing and rolling-out their low-carbon systems innovation while minimising economic and

social risks. The regions targeted by the Flagship are characterised by a high density of energy- and carbon-intensive industry infrastructures and operations. They are among the EU carbon emission hotspots. Coal-mining regions, especially in Central Eastern Europe (i.e. EIT Climate-KIC CEE and RIS geographies), are of particular interest. This KAVA will directly contribute to the achievement of Impact Goal 9. It will provide scientific coordination to selected projects, ensure transfer of learnings from the activities developed under a networking platform, and select up to 10-15 new Early Stage and at least 1 Later Stage innovation projects.

The Re-industrialise Flagship Consortium activities will be implemented under KAVA 2.11.2.

KAVA 2.12.1: LoCal Flagship - Co-ordination and Development
The Low Carbon City Lab (LoCaL) Flagship Programme aims to close the funding gap to meet European climate and energy goals in cities. LoCaL works as both an innovation platform and a project accelerator where cities, investors and providers can test and replicate innovative funding mechanisms to foster low carbon and resilient climate action, accelerate the development of bankable green assets and mobilise capital. LoCaL in 2019 will aim to establish a Training Hub (in cooperation with the Learning Hub KAVA 4.1.4), pipeline generation mechanisms, district-scale financial mechanisms as well as develop business models and platforms to incentivise public and private investors to engage in the early phases of project preparation. Truly cross-organisational, LoCaL supports the achievement of Impact Goals 12, 1, 2 and 3, while leveraging on Education to deliver its outcomes.

The continuing LoCal Flagship projects include: 2.12.2. Resilient Cities ready for Green Investment, 2.12.3. Innovative Decision Support Metrics for Urban CC Adaptation (INNOMeCCa), 2.12.4. Training in CBA for climate change adaptation and urban flood water management and 2.12.5. Climate Mitigation as a Service (CMaaS).

KAVA 2.13.1: CRI Flagship - Co-ordination and Development
The Climate Risk Information (CRI) Flagship Programme was launched in 2017 as a collection of modelling and risk analytics tools which city planners, commodity traders, infrastructure investors and engineers, and businesses can use to manage physical risk, reduce uncertainty and enable resilience-building decisions. The purpose of this KAVA is to support the development of tools and innovations that offer a more transparent, robust and comprehensive approach for analysing and pricing risk and damage from climate risk and extreme events. This KAVA will mostly contribute to the achievement of Impact Goal 11. The key objectives for this KAVA are i) curation of a project pipeline co-developed with diverse end-users and beneficiaries, ii) management of a portfolio of projects driving financial innovation and evolving business models based on improved and openly accessible climate risk information, significantly leveraging investment into increasing resilience, iii) creation of a portfolio of capacity-building and education tools and iv) support to the development of a marketplace that sees a rapid growth in matching demand and supply for climate risk information.
The KAVA CRI Flagship projects include: 2.13.2. SAFERPLACES, 2.13.3. Agrati India, 2.13.4. OASIS Hub and 2.13.5. Sovereign Physical Climate Risk (SPCR).

Area 3: Entrepreneurship

In section C1.7 we describe our approach to entrepreneurship, and the expected outputs and outcomes across the impact goals are described in section C1.1-1.4. Our long-term objective is to develop a fertile and self-sustaining ecosystem for climate-relevant start-ups in Europe. We pursue this goal by nurturing a pool of relevant and viable business ideas, by empowering, connecting, and inspiring entrepreneurs, and by fostering a support infrastructure that enables innovation de-risking, market entry, and scale-up. For this, we are guided by our 2030 impact goals, and the Entrepreneurship team will work closely with Innovation and Education colleagues to foster a start-up community that creates a groundswell in these key areas.

The Entrepreneurship Area (Area 3) will support across the impact goals through: **Start-up ideation:** crowding-in climate resilient business ideas across all impact goals; **Early-stage start-up incubation:** crowding-in and de-risking of climate resilient start-ups across all impact goals; and **Later-stage start-up scaling:** scaling climate resilient start-ups in impact goal intervention areas.

The Entrepreneurship Area includes two Segments: 3.1 New Business Creation; and 3.2 Scaling Support (fig. 7).

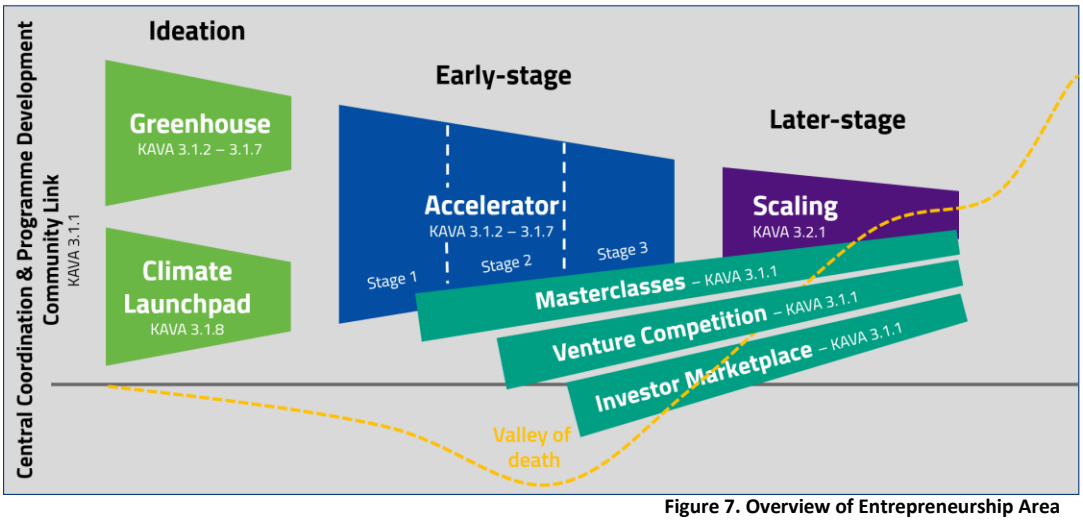

Figure 7. Overview of Entrepreneurship Area

Segment 3.1: New business creation

Under this Segment the main Entrepreneurship Programmes include:

Greenhouse: a pre-incubation programme, allowing teams of students and young professionals to assess the market potential and define the target group for their product idea or service through individual coaching sessions, thematic workshop as well as community events. Each team is awarded up to € 2,500 (in the UK student groups are given £2,500) to develop their business ideas. In 2019 there will be two rounds of admissions to the Greenhouse programme.

Start-up Accelerator: financial support and a full range of support services for pre-seed pro-climate start-ups in 21 support locations and 14 EU countries. Selected start-ups benefit from up to €95,000 in seed funding. The Accelerator Programme is organised around 3 stages:

- **Stage 1, Fundamentals** - support for entrepreneurs to translate pro-climate inventions into viable business models. Start-ups will work developing and testing a business model using an appropriate business model assessment framework and present a plan for validating that business model by real-world customers. To achieve this goal, start-ups at this stage will receive support services and grants up to 20,000 EUR. Stage 1 maximum duration of 6 months.
- **Stage 2 - Validation** – support for entrepreneurs to translate business plans into concrete value propositions. Provide evidence of the validation of the business model by real-world customers and develop and present a plan for developing products/services to market-readiness and achieving market entry. Start-ups at this stage will receive support services and grants up to 25,000 EUR. Stage 2 maximum duration of 6 months.
- **Stage 3 – Delivery –** support for entrepreneurs to translate validated business models into first transactions with first customers/ beneficiaries and/ or investors. Start-ups will pursue market entry with core product/service in beachhead markets and achieve a meaningful number of commercial transactions that validate the core value proposition and/ or attract capital to progress into the next stage in the business development. Start-ups at this stage will receive support services and grants up to 50,000 EUR. Stage 3 average duration of 6 months.

Technology Validation Vouchers (TVV) are a means of validating an innovation's value and hence generate credibility as part of the Start-up Accelerator Programme. A start-up can apply for a Technology Validation Voucher from stage 1 of the Start-up Accelerator Programme onwards to receive support of up to a value of €50,000.

ClimateLaunchpad: the world's largest green business ideas competition (see further details below, under KAVA 3.1.8).

The overall responsibility for managing the Entrepreneurship Programmes resides with each Geography (see KAVAs 3.1.1 to 3.1.7), with centrally provided support and coordination (KAVA 3.1.1).

KAVA 3.1.1: Entrepreneurship Programme – Co-ordination and development

This KAVA encompasses central coordination and development of the Entrepreneurship Programme across geographies, as well as the creation of additional value on a portfolio level through:

i) **Community Link** (matching start-ups with our partner community to broker strategic partnerships, customer relationships, investment, and business intelligence)
ii) **Investor Marketplace** (pairing investment-ready start-ups with a community of leading early-stage investors to funnel much-needed risk capital into climate-relevant industries)
iii) **Venture Competition** (showcasing our most promising start-ups from all over Europe before a public audience in a pitch competition)
iv) **Masterclasses** (training our start-ups in key skills such as business planning, marketing, investor relations, pitching etc with world renowned start-up gurus and experts in their fields. The Masterclasses are designed directly for start-ups and the classes integrated into the Accelerator programme).

The work on this KAVA contributes horizontally across all impact goals, by coordinating the implementation of the main Entrepreneurship Programmes (Greenhouse, ClimateLaunchpad and Accelerator) across the various Geographies, and implementing central portfolio-level value creation activities to push start up innovations and innovators towards our Impact Goals.

KAVAs 3.1.2 to 3.1.7 Entrepreneurship programmes in the Geographies
The overall responsibility for managing the Entrepreneurship Programmes resides with each Geography (see following KAVAs for details). Each geography KAVA encompasses the activities associated with ideating and incubating start-ups. The work on these KAVAs contributes horizontally across all Impact Goals, supporting start-ups that can be clustered within the relevant Impact Goals.

The main objectives of these KAVAs are to: i) provide training, coaching, and mentoring through the Greenhouse and Accelerator programmes, ii) support start-ups in de-risking their solutions by obtaining an independent technical, market, or climate impact assessment, and iii) offer financial support.

This will be achieved by the implementation of the following activities: i) Organisation and delivery of Greenhouse Programme; ii) Organisation and delivery of the Start-up Accelerator Programme and granting of Technology Validation Vouchers (TVV).

KAVA 3.1.2: Entrepreneurship Programme – Benelux
In the Benelux Geography, the Entrepreneurship Programme will be implemented through the Greenhouse and Accelerator Programmes – delivered by the EIT Climate-KIC community partner Technical University Delft – as well as the granting of Technology Validation Vouchers (TVVs). In the Benelux Geography, we expect in 2019 that 14 teams will participate in the Greenhouse Programme and that 25-35 teams will be admitted for Stage 1 of the Accelerator Programme, 10-20 teams for Stage 2 and 3-5 teams for Stage 3.

KAVA 3.1.3: Entrepreneurship Programme – Central and Eastern Europe (CEE)
In the CEE Geography, the Entrepreneurship Programme is delivered in two locations via our community partners, intaking up to 20 start-ups in the Accelerator Programme and up to 10 teams in the Greenhouse Programme. The following activities will be implemented: i) Development of 2 recruitment campaigns and running of the Accelerator Programme for 2 intakes in 2 countries (Poland and Hungary), including 2 Demo Days after each Stage, a 2 days Bootcamp and 1 Investor Day, and ii) Organising 1 Call for applications in the Greenhouse programme in 2 counties followed by training and coaching the selected Greenhouse teams.

KAVA 3.1.4: Entrepreneurship Programme - Germany, Austria and Switzerland (DACH)
In the DACH Geography, the Entrepreneurship Programme is currently delivered in five locations (Munich, Berlin, Vienna, Zurich and Frankfurt/Germany-Central-West) both via our community partners and directly via EIT Climate-KIC Legal Entities. Over the course of the year, we expect to run 2 Calls for applications for the Accelerator Programme and incubate 45 teams.

KAVA 3.1.5: Entrepreneurship Programme - Mediterranean
The MED Start up Accelerator and Greenhouse Programmes will be implemented in France, Italy and Spain, where Technology Validation Vouchers could also be granted in 2019. While the overall structure of the two Programmes is similar for all three locations, each location has its own value-adding strategy and specificities. In Italy, the programmes are implemented by three affiliate partners under the coordination of local EIT Climate-KIC employees, while in France and Spain, the Programmes are managed and implemented by EIT Climate-KIC employees with the support of affiliate partners (one so far in France, several in Spain). Overall, at the level of the MED Geography, around 50 start-ups and 30 business ideas will be supported in 2019.

KAVA 3.1.6: Entrepreneurship Programme - Nordics
The Entrepreneurship Programme is delivered in 4 Nordic countries (Denmark, Sweden, Finland and Norway) and through implementing partners for both the Accelerator and the Greenhouse Programmes. The focus in

2019 is on further developing the investor matchmaking services by enhancing our investor network and making the Entrepreneurship Programme more publicly visible outside the climate entrepreneurial network. We expect to select and onboard around 20 new Stage 1 start-ups, and around 10 Stage 2 and 4 Stage 3 start-ups, and to deliver four Nordic Boot Camps in the fields of climate impact assessment, business creation and investor engagement.

KAVA 3.1.7: Entrepreneurship Programme - UK and Ireland
In the UK and Ireland Geography, the strategic direction of the Entrepreneurship programme is led by the UK and Ireland Team in conjunction with a local steering group comprised of Core Partners and representatives from our most engaged partners in 4 city-regions: (i) London (Cleantech and Green Finance cluster), (ii) West Midlands (Energy Capital brand and Urban Transition); (iii) Edinburgh City Region (Digital innovation in the future of housing, mobility and energy efficiency); and (iv) Dublin City Region (Sustainable finance). Pre-incubation services will be provided to an estimated number of 24 teams and incubation services to an estimated number of 40 start-ups across the various delivery locations in the Geography.

KAVA 3.1.8: Climate Launchpad
This KAVA covers the organisation and delivery of ClimateLaunchpad, the world's largest green business ideas competition. ClimateLaunchpad attracts hundreds of Early Stage ideas from all over the world and pitches them against each other in a competitive process. The Programme consists of a 2-day business training boot camp, follow-up coaching sessions over a period of approximately 6 weeks, ending with a national final, in which the top 3 are selected that get a ticket to attend the Grand Final – the culminating closing event where the national winners from all participating countries go head-to-head and compete to be crowned Grand Winner of ClimateLaunchpad. The main objectives of this KAVA are: i) to receive over 1,000 start-up idea applications from participants in countries across the world, ii) to raise external funding to help cover the costs of running the competition, iii) to accept and train over 350 start-up teams using the Climate Launchpad Curriculum and iv) to organize the Grand Final 2019 with over 750 attendees.

Segment 3.2: Scaling Support

KAVA 3.2.1: Entrepreneurship Scaling Support Programme
This is a new KAVA for 2019, in which EIT Climate-KIC will explore and develop models to support our start-ups post the current Accelerator and establish new activities for the most mature companies. The work on this KAVA will deliver concrete systemic interventions at well-defined critical Impact Goal areas to support scale-up start-ups to achieve major later-stage milestones and contribute to systemic transformations in their respective markets. The new programme and start-up scaling activities in 2019 will include: i) The Climate Changer Club (a club for high potential climate resilient start-ups), ii) Scale-up support services (for start-ups in the club), iii) International match-making (creating impact across borders), iv) Scaling and commercialising the Entrepreneurship Programme, v) Start-up equity scheme, and vi) Open Innovation (assisting climate innovation partnerships amongst our start-ups and corporates).

Area 4: Education

Innovation for systemic change demands an exceptional cadre of cross-sector, cross-discipline, cross-boundary entrepreneurs and change agents. Our education and capacity building programmes provide experiential training, within a blended learning approach, to promote the thinking, competences, skills and leadership required for system-wide climate action. The Education Area will in 2019 support capacity building towards all 12 Impact Goals. New to this Area in 2019 is the 'Learning Hub' KAVA (4.1.4) will build on work in previous years to develop online and professional education and the pulling together capacity building activities from across Areas, developing and managing strategic assets required for designing and scaling learning services for capacity building around our Impact Goals.

The Education Area is made up of one Segment (4.1 Education and Capacity Building).

Segment 4.1: Education and capacity building

KAVA 4.1.1: Education - Scientific Co-ordination and Development
This KAVA encompasses the development, implementation and coordination of the EIT Climate-KIC Education Strategy in light of our Theory of Change. Its core objectives are i) to provide strategic steering and align our Education portfolio with EIT Climate-KIC's Innovation and learning framework, as well as wider EU Education priorities and developments; ii) to ensure quality, and consistency across our programmes; and iii) to evaluate and learn from experiments, activities and collaborations, running Education activities in the spirit of 'Learning as a core foundation for Innovation'. Activities under this KAVA include: Scientific Co-ordination and Development activities, such as developing and implementing the Education strategic direction; integration with other EIT Climate-KIC Activities and the 12 Impact Goals; business planning and reporting;

quality management; ensuring the efficiency of admission processes; and coordination of the EIT Climate-KIC Education Team.

KAVA 4.1.2: Graduate School (Master Label, PhD Label, and other graduate school activities)
EIT Climate-KIC has created a wide range of educational formats, tools and programmes in its Graduate School to support the unique capacity needs of student innovators, such as creative thinking, business awareness, interpersonal skills, leadership, self-awareness, and networking capability. The EIT Climate-KIC Graduate School focuses on postgraduate education at the master's and doctoral levels and covers entrepreneurial, intrapreneurial, and enabler training. The objectives of this KAVA are to i) deliver 37 existing labelled master's programmes, ii) apply to EIT label for 10 new programmes, iii) develop and pilot a new Climate Innovative Master programmes network, iv) recruit and train 200 new students, v) deliver 4 PhD Catapult Summer Schools in collaboration with Themes or Flagship Programmes, and vi) develop a new impactful PhD programme.

KAVA 4.1.3: Summer School - The Journey
The Journey is the EIT Climate-KIC's main summer school on climate innovation, and one of our most successful programmes, offering top graduates and young professionals the tools, inspiration and experience to develop and deliver ideas, products and services in response to climate change challenges. Participants learn to work effectively in multidisciplinary and international teams, ideate, deliver a climate-related business plan, and participate in a business-pitch competition. In 2019, the focus will be on integrating The Journey better with EIT Climate-KIC's portfolio approach, incorporating the Impact Goals into learning materials. The main objectives of this KAVA are i) to successfully run six 5-week Journeys and four 4-week Journeys (1 week of which is online) over 21 locations for a total of 400 Participants, and ii) to have minimum 160 Journey participants registered in Journey-related modules on EIT Climate-KIC's online learning platform.

KAVA 4.1.4: The Learning Hub
The Learning Hub is a new KAVA for 2019, developing and managing strategic assets required for designing and scaling learning services for capacity building around our 12 Impact Goals. The key objectives of this KAVA are to: i) define capacity building strategies around our Impact Goals together with Themes, ii) design, validate and scale learning services supporting our Impact Goals, iii) co-create with Themes and partners to drive impact, iv) support EIT Climate-KIC Education activities and other EIT Climate-KIC programmes (e.g. Accelerator, Flagships) and partners by providing learning assets, v) drive the development of education concepts and mainstream those approaches, vi) create a network of partners, experts and users/alumni to drive the future of 'learning on climate innovation' together, and vii) de-risk 'innovation in education' for our partners. Activities include development of proficiency standards, design of pedagogies, creation of learning materials, development of an online platform and a network of coaches/facilitators. These assets will serve to design, validate and scale targeted learning and certification services based on the needs identified across our Impact Goals and by users and funders.

Area 5: Dissemination and Outreach

This Area covers the need for EIT Climate-KIC to reach out to external stakeholders and disseminate outputs and deliverables on the activities our community undertakes. The overall objective is to engage citizens, businesses, the media, local actors and all relevant stakeholders, share knowledge and meaningful stories, whilst empowering and triggering new followers to contribute to the overall achievement of our Impact Goals.

Raising awareness, disseminating information and boosting engagement in relevant audience groups are central elements to the achievement of our Impact Goals and climate innovation at large. This Area will contribute - by creating content, promoting progress and engaging global citizens - to an increased awareness of climate challenges and a stronger involvement in tackling them at all levels of society across the globe.

The Dissemination and Outreach Area is made up of one Segment (5.1 Dissemination and Outreach).

Segment 5.1: Dissemination and outreach

KAVA 5.1.1 Dissemination and Outreach
The Dissemination and Outreach KAVA will focus on bringing EIT Climate-KIC's value proposition to life. Its aim will be to: i) Support rich, trusted content, valued by decision makers and the public alike as a source of insight and inspiration, ii) Reach out on climate innovation to the outside world to accelerate progress and create impact through improved knowledge and awareness, iii) Reach out on systemic change in our 12 Impact Goals and on our key programmes, engaging people across Europe and beyond, and iv) Contribute to further connecting our community and giving it a voice. Activities will include campaign outreach development, media and stakeholder outreach in support of Impact Goals, content development, and events

and dissemination of EIT Climate-KIC activities related to Climate Innovation Ecosystems, Early Stage Innovation, Later Stage Innovation, Flagship Programmes, Entrepreneurship and Education. Efforts in 2019 will look to further develop synergies across KAVAs, to ensure the production and effective use of resources, tailored communications plans, tools, blue-print materials and templates are leveraged by the whole organisation. The aim is to offer a consolidated service across the EIT Climate-KIC community to support dissemination of project and programme information.

KAVA 5.1.2 Climathon

The Climathon is dedicated to solving city climate challenges through global citizen engagement and is a strategic element for future innovation collaboration with cities. The Climathon is manifested in a 24-hour hackathon which takes place simultaneously in major cities around the world. During the hackathon, entrepreneurs, students, developers, and others get together to work on climate challenges their city is facing to create innovative city solutions. The solutions developed during the 24 hours can be taken forward and implemented by the cities. The city challenges and resulting solutions can potentially contribute to all 12 Impact Goals, and the challenges and solutions will be mapped against Impact Goals to ensure further collaboration possibilities. The key objectives of this KAVA are i) to engage 125 cities in hosting Climathon events in 2019 and create 5000 change agents (Climathon participants) across the globe through Climathon activities, ii) to expand the reach of Climathon with an aim of reaching 30 million individuals through social media activity and engaging with 35 climate change spokespeople and organisations, and iii) to better integrate the Climathon with the Entrepreneurship Area and the Theme activities (especially Urban Transition) in order to become a preferred tool for community engagement and ideation of the Theme teams.

Area 6: Systems Innovation Capability

To increase our impact, we are continuing to raise our combined community capability as a powerful change agent. As we move to a portfolio approach, we will enhance our systems innovation capability, with EIT Climate-KIC Holding and members of our community able to constantly adapt our portfolios to maximise impact. In 2019, our monitoring, evaluation, learning and development function will enable us to elevate how we learn from our experiments to a portfolio level. We will introduce cutting-edge horizon scanning of breakthrough innovation, and a research and development function that will establish our community as a thought leader. We will invest in our people to increase our internal capability as a systems innovator, focusing on strengthening cross-European collaboration for the portfolio view. We will deliver an approach to financial sustainability fully aligned with our Impact Goals and Theory of Change, where other funders and clients are also supporting experiments. This Area thereby not only increases the impact of our current portfolio - it also continues to build future systems innovation capability and the mechanism required for financial sustainability.

The Systems Innovation Capability Area is made up of one Segment (6.1 Systems Innovation Capability), which includes work on Monitoring, Evaluation, Learning and Development of our activities (KAVA 6.1.1), Financial Sustainability of EIT Climate-KIC (KAVA 6.1.2), Research and thought leadership (KAVA 6.1.3.) as well as in-company training through KAVA 6.1.4 - Investing in our people.

Segment 6.1: Systems Innovation Capability

KAVA 6.1.1 Monitoring, Evaluation, Learning and Development

This KAVA builds upon the development of a comprehensive Monitoring, Evaluation and Learning (MEL) framework linked to our Theory of Change in 2018. It is designed to promote accountability and institutionalise adaptive learning across EIT Climate-KIC. A key design principle of the MEL Framework is to build in flexibility to review and adjust the framework to cope with the fast-pasted environment under which it operates. For an organisation and community working in a dynamic environment with multiple stakeholders and multiple different layered expectations, we are proposing an approach drawing on traditional and non-traditional methods to meet both accountability and learning needs. Therefore, in 2019, this KAVA will focus on i) implementing a developmental evaluation approach via a set of interventions in our impact goal areas, ii) starting work to assess one of the key assumptions underlying EIT Climate-KIC and our Theory of Change, iii) conducting evaluations of the impact of three of our programmes (e.g. Journey, Climate Launchpad, Pioneers Programme), and iv) strengthening our underpinning monitoring, evaluation and learning methods and processes. This KAVA will contribute to the implementation of all impact goals.

KAVA 6.1.2 Financial Sustainability

EIT Climate-KIC is continuously working to improve and strengthen its operating model for financial sustainability, to significantly contribute to increasing the volume of non-EIT funding earned. In 2019, financial sustainability efforts will continue to monitor closely our effectiveness through strengthening the Business Development Capacity and focus on revenue growth and diversification through Multi-Funder

Business Development and Fundraising. The activities in this KAVA include the continued development and improvement of the financial sustainability processes and systems: i) continuously updating and ensuring further roll out of the CRM system; ii) embedding Business Development (BD) systems, processes and workflows; iii) building ongoing staff capacity across the organisation for BD; iv) strengthening BD marketing and communications and v) define and approve the necessary legal templates and evolving process to support BD sales.
Continued growth in fundraising through: i) developing and securing funding for the expansion of existing programmes; ii) repackaging existing assets, products and services into new bespoke programmes; iii) developing larger-scale revenue diversification opportunities; and iv) growing sponsorships for a suite of successful EIT Climate-KIC products and events.

KAVA 6.1.3 Research and Thought Leadership
EIT Climate-KIC's work under the Research and Thought Leadership KAVA will have three main areas of work in 2019, with the purpose of creating an intellectual and conceptual underpinning to our systems innovation approach:

1) Probing the front edge of climate breakthroughs, particularly interrogating the link between Artificial Intelligence, blockchain and climate action,

2) Enhancing our systems innovation model through new research, synthesis and testing, particularly assessing topics at the interface and transversal to our impact goals,

3) Targeted research to inform policy dialogues and communications campaigns.

This will take the form of research activities, workshops and publications. The KAVA will offer a close link with our Monitoring, Evaluation and Learning approach (KAVA 6.1.1), and present a space for experimenting with a new way of integrating activities across KAVAs in a portfolio perspective. As a cross-cutting KAVA, it will contribute to all Impact Goals.

KAVA 6.1.4 Investing in our people
This KAVA covers in-company capability-building to develop the skills of EIT Climate-KIC employees around leadership and management, core competency areas (including - but not limited to - Systems Thinking, Design thinking, working in complexity) and technical competencies (e.g. community management, financial management, circular economy, Smart Cities). We will also be running initiatives which help to develop personal effectiveness and resilience. The creation of this KAVA is shaped by three observations in 2018: firstly, we started to understand the implications of the Theory of Change on our organisational competencies, secondly, the EIT Climate-KIC General Assembly supported the proposal to develop EIT Climate-KIC as a backbone organisation and lastly, we continue to see the need to invest in strengthening business development skills and knowledge in support of our financial sustainability programme.

Area 7: EIT Regional Innovation Scheme (RIS)

The EIT RIS programme is an essential vehicle for delivering activity and impact across all EU member states: supporting all countries to deliver their part of the EU's collective mitigation commitment and putting in place adaptation plans. The EIT RIS countries attract specific attention as they tend to be among Europe's worst greenhouse gas emitters, many will face the highest adaptation costs and impacts, and despite having some of the largest European Commission funding available to address the transition (e.g. the ERDF/ESIF), they often have a poor track record of targeting funds to achieve mitigation or adaptation impact. The EIT's motivation[31] for the EIT RIS scheme is to play an active role in helping level Europe's innovation playing field. EIT Climate-KIC is keen to play its role in achieving this. At the same time, we also recognise that local challenges spawn local innovation: while different countries may score differently on the European innovation scoreboard, we are keen to learn from the RIS and to help local innovation ecosystems achieve high impact, through the EIT RIS programme and by connecting them to our community.

The EIT RIS Area is made up of one Segment (7.1 EIT RIS).

Segment 7.1: EIT Regional Innovation Scheme (RIS)

KAVA 7.1.1: RIS Co-ordination, Development and Programming
The EIT Regional Innovation Scheme (EIT RIS) enables the transfer of good practices between EIT RIS country stakeholders and the wider EIT Climate-KIC community, also functioning as a peer-to-peer learning

[31] The EIT Regional Innovation Scheme (EIT RIS) is the EIT Community's outreach scheme. In EIT's words: 'the scheme enables the transfer of good practices and know-how from the EIT's unique approach to boosting innovation. The objective of the EIT RIS is to contribute to boosting the ability to innovate of countries and regions in Europe that belong to the groups of so-called 'modest and moderate' innovators (according to the European Innovation Scoreboard).'

programme ('community of practice') for EIT RIS countries. The overall purpose of this KAVA is to manage the programme in accordance with the EIT RIS Implementation Guidance Note 2018-2020 and to oversee its implementation via competitively selected EIT Climate-KIC Hubs in 12 countries (Bulgaria, Croatia, Cyprus, Estonia, Greece, Latvia, Lithuania, Malta, Portugal, Romania, Serbia, Slovenia). Activities include: i) engage local players in KIC activities and ii) mobilise, interlink and internationalise national/regional networks.

KAVA 7.1.2: RIS Education activities (Journey and Pioneers)
The purpose of this KAVA is to contribute to increased involvement of stakeholders from EIT RIS countries in EIT Climate-KIC education and professional development activities, focusing on the Journey Summer School (see description in KAVA 4.1.3) and the Pioneers into Practice programme (see description in KAVA 1.1.1). Activities under this KAVA will be developed in close cooperation with the EIT Climate-KIC Education team.

KAVA 7.1.3: RIS Accelerator
The purpose of this RIS Accelerator KAVA is to build on 2016-2018 activities in the field of start-up acceleration in the EIT RIS countries. The programme in 2019 will cover all current twelve EIT RIS countries, from locations which have previously carried out the programme (Bulgaria, Cyprus, Estonia, Latvia, Malta, Portugal, Romania, Serbia and Slovenia), to new Hubs in Croatia, Greece and Lithuania. Following the EIT Climate-KIC Accelerator structure, the Programme support local cleantech entrepreneurs and provide them with state-of-the-art coaching, training and financial support. The activity will be rolled out in close collaboration with the EIT Climate-KIC Entrepreneurship team and aligned with our overall acceleration model. Activities will include boot-camps, mentoring sessions and demo days. Through a carefully selected overall EIT RIS Accelerator delivery partner, this KAVA will promote multi-country interaction and mobility between start-ups and seek co-investment in the country accelerators.

KAVA 7.1.4: RIS - Mobilise, interlink and internationalise national/regional networks
The overall purpose of this RIS KAVA is to develop a targeted capacity-building and peer-to-peer learning vehicle to address Knowledge Triangle Integration in EIT RIS countries. It also aims to enable local actors to initiate pilot projects and early-stage innovation activities matched to EIT RIS focus Impact Goals and EIT RIS strategic priority areas (circular economy, energy efficiency and transition, adaptation and access to finance and the associated Impact Goals, i.e. Impact Goals 1, 7, 10 and 12). Activities under this KAVA will contribute to Action Line II of the EIT Regional Innovation Scheme: to mobilise, interlink and internationalise national/regional networks. Activities will focus on EIT Climate-KIC Hub management and network development, EIT RIS Capacity-Building, EIT RIS Pilot Projects and EIT RIS Ideation and Early Stage Innovation.

Area 8: Management

This Area includes all management activities pertaining to the EIT Climate-KIC corporate communication and public affairs activities, legal, ethical, financial, administrative and operational management of our activities, the development and maintenance of IT tools, the implementation of calls for proposals, designing and maintaining partner templates, Funder management activities, HR, and management of our Geographies and Themes.

The Management Area is made up of one Segment (8.1 Management). In this Segment, we will focus in 2019 on implementing systems and processes to ease our transition to a multi-funder organisation and community. This is especially true for Strategy, People and Corporate Communication (KAVA 8.1.1), Finance (KAVA 8.1.2) and Operations (KAVA 8.1.5). Additionally, we will invest in improved telepresence in 2019 to minimize our collective carbon footprint and travel costs and bring in an ERP system to help drive through efficiencies (e.g. KAVA 8.1.9 Office, IT and connectivity). Overall, we are actively managing overhead costs to ensure we are lean while still fulfilling the responsibilities of EIT Climate-KIC Holding to be a *backbone* organisation; one acting to maximise the impact potential of a diverse, powerful and fast-growing community.

Segment 8.1: Management

KAVA 8.1.1: Strategy, people and corporate communications
This KAVA covers the activities and priorities of the Chief Executive Officer (CEO) and the Chief Strategy Officer (CSO) including strategy, corporate communications - internal and external – public relations, organisational culture development, and the ongoing process of implementing EIT Climate-KIC's focus on systems innovation. The CEO oversees and directs the entire organisation and is responsible for setting vision and direction, for driving, overseeing and assessing strategy execution in all areas of the company and for leading a focus on performance. The CSO is responsible for guiding the implementation of EIT Climate-KIC's systems innovation focus through impact goals, informed by our theory of change, and for offering strategic leadership to the organisation and the community with respect to new horizons for impact on climate change

through innovation. Both the CEO and the CSO provide visible leadership and proactive public affairs engagement with partners, funders and institutional stakeholders. This KAVA also incorporates internal corporate communications and the activities and services of the People function (HR). In 2019, the objectives of this KAVA are to deliver on its goals by focusing people, partners and our innovation pipeline on meaningful and measurable impact. In 2019 we will transition EIT Climate-KIC to a portfolio approach to programming and embed monitoring, evaluation and learning disciplines across the portfolio. We will consolidate and enhance the capability of the organisation to work collaboratively and to think systemically in service of multiple funders, characterised by functional pools and cross-boundary teams/working groups (a 'team of teams' approach).

KAVA 8.1.2: Finance

This KAVA covers all activities and priorities of the Finance team except tax reporting and audit policies, which are covered by KAVA 8.1.10 Audit, Tax and Insurance. The objectives for this KAVA are to: (i) maintain a framework of financial management, control, systems and processes, (ii) increase reserves to address an elevated risk profile resulting from non-EIT activities, (iii) timely submission of all external financial reporting requirements, and (iv) prudent and thorough management of cash, pre-financing, and forecasting to secure strong cash control and management.

The above will be achieved via a strong, experienced central team running a practiced shared service centre delivering standardised and monitored procedures using cloud-based accounting systems and online tools including Xero accounting package, Approval Max, Expensify, and Cezanne HR.

KAVA 8.1.3: Governance

Working in close consultation with EIT's Executive and Governing Board and aligned to the requirements of the Specific Grant Agreement, EIT Climate-KIC is focussed on establishing best practice governance arrangements as they apply to corporate governance, internal agreements and other structural initiatives. In 2019, we will continue to work towards ensuring our governance structure: i) reflects the diversity in the composition of the community, in particular the balance within the knowledge triangle, ii) separates ownership/membership from operational management, iii) ensures an open and high-quality decision making process involving independent high level members, iv) separates the supervisory function from the operations and integrates a system of checks and balances (including independent chairpersons), and v) has a size allowing it to function in an effective and efficient way.

KAVA 8.1.4: Legal, Compliance and Risk

The General Legal, Compliance and Risk KAVA is a management KAVA focused on the overall system and infrastructure necessary to achieve all impact goals across all activities in a sound and compliant manner. The key objective of this KAVA is to ensure that the KIC Legal Entity operates in a legally sound and compliant manner in relation to its activity connected to the EIT grant. It will proactively manage risk to build a resilient and sustainable future.

KAVA 8.1.5 Operations

This KAVA encompasses the work done by the Operations team to support programme governance and implementation, partnership administration, operational excellence and leadership, and the implementation of new funder relationships in support of our financial self-sustainability activities.

Activities will include: i) Programme Governance and Implementation Support (coordinating and leading on the implementation and continuous improvement of our open calls for proposals); ii) Partnership Administration (administering the entry of new KIC Partner Organisations, support the onboarding and training of new partners, develop and disseminate communications to the partnership - in collaboration with our Geographies); and iii) Operational Leadership (Operations function's strategy and organizational design, contribution to important strategic initiatives and day-to-day management of the organization).

In 2019, focus will be put on:

- increasing the transparency of our decision-making processes, improving the quality of the feedback provided to applicants, establishing greater clarity in our call for proposals documents, and strengthening and enforcing provisions related to privacy and data protection, gender equity, ethical considerations, and results dissemination
- improving the user experience of our partners, starting by mapping the 'partner journey' and our information landscape and analysing those to redesign our onboarding and partner management processes and reorganize our partner handbooks, webpages, and other support resources,
- alignment of EIT Climate-KIC's Operations function with the financial self-sustainability strategy and the requirements of a multi-funder future,

- investing in the development of controls and tools to evaluate and manage EIT Climate-KIC's operational performance and risk profile (e.g. dashboards, heat maps, etc).

KAVA 8.1.6: Theme Management
This KAVA is dedicated to management of our four thematic areas - Sustainable Production Systems (SPS), Urban Transitions (UT), Decision Metrics and Finance (DMF) and Sustainable Land Use (SLU). The key objectives of this KAVA are to efficiently manage the coordination of the 4 Themes, and to align their work with the Education and Entrepreneurship teams. This KAVA summarizes the activities undertaken by our Themes to administer our portfolio of innovation projects and education activities. The management costs and activities in this KAVA exclude all activities of "Scientific Coordination" i.e. actions involving substantive support and development activities delivered by our EIT Climate-KIC personnel to our projects and their associated teams. The management activities include i) Thematic contribution to EIT Business Planning (reporting and business planning for the Thematic Management KAVA), ii) Contributions to EIT Climate-KIC management and processes (executive team and executive board matters) and iii) Thematic team management (HR management and performance reviews).

KAVA 8.1.7: Funder Management
This KAVA covers the core team management costs associated with meeting the needs of EIT as a primary funder in 2019. The activities will include overall development, co-ordination, preparation, review, submission, revisions, and finalisation by the core team of the following: i) Annual Business Plan 2020, ii) Annual Business Plan Amendment 2019, iii) Annual Reporting for 2018. It also covers: iv) Business as usual components including regular correspondence and calls with our EIT Project Officer and other key EIT colleagues, responding to ad hoc requests for information, and attending meetings organised by EIT and v) Continuous improvement activities to increase the quality of our submissions.

KAVA 8.1.8: Geography Management
This KAVA covers the coordination of the work of our Geographies. Geographies lead the relationships between EIT Climate-KIC and its community both strategically and at an operational level, and work across all Impact Goals. The key objectives of this KAVA are i) to consolidate well-run geographic networks with innovation hotspots and vibrant and connected Partner communities, ii) to be recognised by the main actors of climate action as the climate innovation go-to organisations at local, subnational, national and regional (Geography) levels, iii) to identify/create opportunities for the whole EIT Climate-KIC community to mobilise itself and address major strategic challenges, and iv) to rally other significant organisations and initiatives to our efforts.

KAVA 8.1.9: Office, IT and connectivity
This KAVA comprises work to ensure that EIT Climate-KIC operates in an efficient and fit-for-purpose IT environment. It includes activities to ensure day-to-day operations of the organization, as well as project-type activities aimed at strengthening EIT Climate-KIC's IT capabilities to support future growth and the development of mission-critical business intelligence. Activities will include: i) Information Technology Infrastructure, ii) Office and connectivity costs, iii) Development projects (technical aspects of the ERP and smaller development initiatives to optimize current systems), iv) Grant Management and Partner Management Systems (licensing and maintenance cost of Promise Suite, integration of Salesforce modules), v) Information Management (building on the work done in 2018 to establish an information management programme that allows us to process activity and partner data in an efficient and compliant way) and vi) Strategic Technology Leadership. Almost all of the activities relate to daily operations, be it as part of business-as-usual or as part of an IT implementation or configuration project that is a one-off but ultimately benefits our organization in our daily operations.

KAVA 8.1.10 Audit Tax and Insurance
This KAVA encompasses the work done by the Finance team to ensure adherence to statutory and tax reporting and by the Legal team to ensure the necessary insurance policies are in place to cover relevant activities under the EIT grant. As a professional organisation, EIT Climate-KIC will continue to operate with an appropriate audit, tax and insurance framework required to support the complex requirements of a pan-European entity. The Key objectives for this KAVA are: I) timely and accurate submission of all external financial reporting and tax submissions, II) continued review and adjustment of tax positions and strategy for compliance and optimization, and III) reviewing, maintaining and, where applicable, updating appropriate professional insurances to ensure the insurance portfolio matches relevant EIT grant activities.

Area 9: Cross-KIC
Cross-KIC interaction is critical for EIT Climate-KIC, and increasingly important as the EIT family matures. As climate change is a systemic challenge, we need to harness expertise across the domains covered by other

KICs. The Cross-KIC Area is made up of one Segment (9.1 Cross-KIC). Within this Segment, EIT Climate-KIC will lead in 2019 on KAVA 9.1.1 Cross-KIC Outreach beyond Europe and KAVA 9.1.4 Cross-KIC CLC consolidation and will contribute to the KAVAs which continue from 2018: KAVA 9.1.2 Cross-KIC RIS (lead – EIT Health) and KAVA 9.1.3 Cross-KIC Human Capital (lead – InnoEnergy).

Segments 9.1 – 9.6 Cross-KIC

KAVA 9.1.1: Cross KIC Common Outreach
EIT Climate-KIC is the Lead KIC for this EIT cross-KIC activity. In line with EIT's vision to be the leading European initiative that empowers innovators and entrepreneurs to develop world-class solutions to societal challenges and create growth and skilled jobs, this KAVA focuses on developing relationships and markets outside Europe. To manage and guide this work, a Cross-KIC Working Group (WG), the 'EIT Cross-KIC Working Group Outreach Beyond Europe' was established, comprising senior representatives from all six current KICs: EIT Climate-KIC, EIT Digital, EIT Health, EIT Food, EIT InnoEnergy, and EIT Raw Materials. When the new KICs (EIT Manufacturing and EIT Mobility) have been designated, representatives from these will also join the WG. The WG is chaired by Mary Ritter, International Ambassador, EIT Climate-KIC. The WG aims to i) position EIT's innovation model among other successful innovation initiatives at an international level, (ii) showcase EIT supported innovation and activities and attract support for EIT innovators, and (iii) strengthen the EIT innovation ecosystems by attracting partners, organisations and students from all over the world to contribute to the EU's competitiveness and reinforce its attractiveness.

KAVA 9.2.1: Cross-KIC EIT RIS (led by EIT Health)
The Cross-KIC RIS KAVA aims in 2019 to build on the successes of the 2018 Cross-KIC RIS project, in alignment with the new EIT RIS Guidance issued in March 2017 and each KIC's EIT RIS strategy developed for 2018-20. The objective for the 2019 Cross-KIC RIS project remains to ensure a platform for KIC interaction and coordination of EIT RIS activities, to ensure efficiency and avoid fragmentation of efforts among KIC activities.

KAVA 9.3.1: Cross-KIC Human Capital
This KAVA is a direct continuation of the Cross-KIC Human Capital project started in 2017 and in which the entire EIT (HQ and KICs) commonly established the overall educational goals and coherently combined working towards these. Objectives for this KAVA in 2019 will be i) to continue to build on results of 2017 and 2018 and scale a number of initiatives, ii) common delivery mechanisms, content, processes and (education) technology, iii) Start the implementation of actions of the Digital Education Action Plan with specific emphasis upon awareness of European citizens. Activities in 2019 will include: i) Teachers conference, ii) Common Methods and Tools, iii) Learning Analytics, iv) Consumer and customer engagement, v) Education Hackathon, vi) Skill gap predictions, and vii) Programme coordination and management.

KAVA 9.4.1: Cross-KIC CLC consolidation
EIT Climate-KIC is the Lead KIC for this EIT cross-KIC activity. This KAVA explores the feasibility, added value and efficiency gains of establishing shared arrangements in selected European cities where more than one KIC currently has individual offices. The Cross-KIC project was initiated in 2018 through the establishment of the EIT Working Group (WG) on Cross- KIC CLC Consolidation, which supports the implementation of the activities under this KAVA. Each of the six KICs is represented by a senior member of staff, and the EIT is represented by a senior EIT Policy Officer. The Cross-KIC WG is chaired by Mary Ritter, International Ambassador, EIT Climate-KIC. In 2019, two additional KICs will join the Cross-KIC WG: Urban Mobility and Added Value Manufacturing. The main objectives of this KAVA are i) to enhance Cross-KIC activities and stakeholder engagement at national and EU level; and ii) to increase the visibility of the brand of the EIT KIC Community. In 2018, following a review of the location of all KICs in cities across Europe, together with the development of key criteria (number of KICs per city, i.e. 3 or more KICs), the Cross-KIC WG selected London, Paris, Stockholm and Warsaw as the initial target group for exploring the added value and feasibility of CLC Consolidation. Activities in 2019 will thus include CLC consolidation in already identified cities (London, Paris, Stockholm, Warsaw) as well as CLC Consolidation in additional cities to be identified.

KAVA 9.6.1: Cross-KIC Skills4Future
This KAVA is part of the Cross-KIC Skills4Furture Activity lead by EIT Raw Materials. It will inspire the future generation across Europe to be entrepreneurs by enabling them to create solutions for societal challenges through mentor-based industry programmes; Expand the EIT concept to a wider range of citizens, i.e. the future generations of game changers (age group: 16-19 years); Enhance the visibility of the EIT brand across Europe; and Align with the European Commission's New Skills Agenda for Europe.