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# Annual Report 2023

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# Letter from our CEO

This year has exposed the raw edge of much that is at stake in our world right now. We face a cognitive dissonance; a turbulent mix of hope, determination, cynical pragmatism, selfinterest, fear and fury, the growing shadow of despair and a widespread unwillingness to act. We saw some welcome progress that acknowledges the critical interdependencies between food, water, health, education, gender and culture, climate adaptation and resilience. And at the same time, ever more evident is a yawning, fracturing gap between what we need to do and what we are doing. A justice gap. A financing gap. A implementation gap. A courage gap. And above all, a messy middle gap.

The year 2023 was marked by disturbing, ongoing violence and hurt across the world. It often feels like we see more division than unity. In a time dominated by terrifying polarisation, we must not only put people and their places first, but we must put them together. The current crises, climate change and related adverse weather events, biodiversity loss, pandemics and health threats, growing inequality, political instability and conflicts are all interlinked – and so are the pathways towards their resolution.

Our call to action this year could not have been clearer: persist in our mission to transform places and industries so that people can see and aspire to a just and sustainable future. As we have done so, it has been essential to call out and celebrate the extraordinary work our community has done on the ground, as we seek to shift the narrative on climate.



While the Global Stocktake showed us that progress is not fast enough – the other clear message was that it is gathering pace. Our work in 2023 has built impetus for what is likely to be a momentous year in 2024.

### 2024-2030 strategy for the EIT Climate-KIC Community

Following on from our 2019-2022 strategy, *Transformation, in Time,* at the end of 2023 we launched our 2024-2030 strategy, *Transformation, with Urgency*. This document sets our direction for the next seven years and outlines the eight key strategic choices we have taken about the role we will play, the work we will do, where and how we will act and the impact we will seek to have for the rest of this critical decade. It outlines how we intend to help bridge the implementation gap between climate commitments and current reality. It outlines how we will make change happen in the 'messy middle': the place of ongoing tensions, profound uncertainty and altering timeframes between where we are and where we need to be.

Our eight strategic choices will move us forward by navigating and balancing the tensions inherent in our work. These choices will inform annual business plans with progressive implementation targets linked to monitoring and evaluative learning, deeply informed by those whom we are serving.

*Transformation, with Urgency* is the result of an 18 month-long process during which we reviewed our activities and learning, and engaged with a diverse range of perspectives from thought leaders, scientists, policy makers and politicians, community and business leaders, artists and activists to build our understanding of the context we will be working in and where we can best contribute.

### Implementing systems transformation as a community

EIT Climate-KIC has continued to act as an innovation delivery partner for European climate policy. We are involved in three of the European Union's Horizon Europe Missions (Cities, Climate Adaptation and Soils) and we are working with a number of European Member States, regions, cities, and businesses, as well as with international funders and investors in Africa, India and Latin America.

We are privileged to partner with outstanding peer organisations and cities as the consortium lead of the implementation platform (NetZeroCities) for the EU Mission on Climate-Neutral and Smart Cities, supporting 112 cities to decarbonise by 2030. We have extended this to other cities through national platforms such as the Spanish CitiES which is now blending EU funding, national cohesion funds and philanthropic funding. NetZeroCities has built the support mechanisms to shape a one trillion Euro market, creating the conditions for rapid testing, learning, and scaling of new solutions, enabling European climate, economic and industrial policies, and preparing the ground for investment.

Throughout the year, the NetZeroCities consortium supported cities in their climate transition, providing tailored guidance and organising activities like NetZeroCities schools. Initiatives like the NetZeroCities Pilot and Twin Cities programs fostered rapid decarbonisation and collaboration. Our Portal engaged over 3,000 users, and in October, ten Mission Cities received the EU Mission Label, unlocking funding opportunities.

Similarly, we have run a series of key programmes within the EU Mission on Adaptation to Climate Change, supporting over 150 EU regions, and creating the innovation platform to test and scale new solutions for regional resilience to climate impacts, and to transform Europe's small and medium enterprises. We launched a call for applications to provide €21 million in direct funding that will support local communities in building ambitious plans, complete with capabilities and complementary funding to implement them by 2030. Here again we are building out tools and insights to leverage beyond Europe, in partnership with UN agencies and in support of European Global Gateway and Team Europe ambitions.

We continue to work hand in hand with the Slovenian government and local stakeholders within the Slovenian Deep Demonstration of Circular, Regenerative and Low-Carbon Economy programme. Our Community has been able to create portfolios of innovative actions for key sectors of the Slovenian economy. These portfolios set the direction of change towards circularity, which is Slovenia's path to climate neutrality.

We are also honoured to partner with the Government of Ireland's Department of Agriculture, Food and Marine, with a Deep Demonstration on sustainable food systems that is rapidly developing towards its implementation phase. Over the past 18 months, we developed strong relationships across the agri-food value chain, as well as holding dozens of events, workshops and insightful conversations with farmers. One highlight of our regular engagement with Irish and international stakeholders was the Community Week conference in September 2023. This event, attended by 130 stakeholders, aimed to accelerate a vision for sustainable food systems and explore synergies with our Deep Demonstrations in Gipuzkoa and Slovenia. These insights have fed into a portfolio of over 280 projects, organised under seven flagship areas of innovation. We are now developing action plans and looking for implementation partners and funders for this new phase, with the overarching goal of defining a model of what a fully sustainable farm can look like across environmental, social, and economic indicators.

In June, the Systems Innovation Learning Partnership (SILP), a joint effort between the EIT Climate-KIC Community and the Swedish International Development Cooperation Agency (Sida), held its Learning Festival – an annual opportunity to explore the cutting edge of systems innovation, bringing together diverse organisations in a participatory space to discuss and share ideas.

#### Nurturing new solutions and business models

In 2023, EIT Climate-KIC led transformative climate entrepreneurship initiatives with a focus on ventures' scaling, capacity building for Entrepreneurship Support Organisations (ESO), and fostering innovation clusters. Our global impact expanded into new territories — Latin America and the Caribbean, South America, Africa, the Pacific Islands, and India — forging collaborative partnerships with the IKEA Foundation, Amazon, FedEx, GIZ, Irish Aid and others. We actively worked with 116 ESOs across 75 countries globally. Across all programmes, we supported 922 early-stage climate positive start-ups at varied levels of maturity. Our award-winning start-up alumni have raised €669 million in follow-on funding, demonstrating the financial viability of climate-focused ventures. As we broadened our portfolio with five new companies, 65 start-ups completed climate impact assessments, revealing a collective mitigation potential of 325 tonnes of CO2 equivalent. These accomplishments underscore our commitment to driving climate innovation across the globe. A highlight of 2023, in November, was the 10-year anniversary of ClimateLaunchpad one of the world's largest green business competitions for climate innovators.

#### New European Bauhaus

2023 was a significant year for solutions development contributing to the New European Bauhaus initiative, which EIT Climate-KIC supports together with EIT Food, EIT Manufacturing and EIT Urban Mobility. In June, 12 innovative start-ups and scale-ups were selected as part of the NEB Booster 2.0 programme. Booster 2.0 has now become the NEB Catalyse. The community impact of the initiative has also been visible in the NEB Ignite Event series, which co-ordinated innovation competitions in four cities across Europe. Building on our citizen engagement focus, the NEB Enhance programme recently announced six projects to receive scale-up funding from successful Connect NEB and Co-create NEB initiatives.

#### Funding a liveable future for all

We have continued to diversify our funding mix in 2023, securing EU and international platform funding from EIT, the EU Missions and international multilateral funds to deliver place-based innovation activities in multiple places (cities, regions, states, and industry sectors) in Europe and internationally. We would like to offer a heartfelt thanks to our funding partners, co-funders, donors and investment fund partners for the trust placed in us and in the EIT Climate-KIC Community to deliver with integrity and with a focus on driving for impact.

#### Systemic Climate Action Collaborative

This year, EIT Climate-KIC is proud to have played a leading role in initiating the Systemic Climate Action Collaborative, as a founding member, in a major effort to address fragmentation and reduce competition among those working for the same purpose.

We believe a paradigm shift in ways of working and funding is needed. We are determined to move beyond siloed efforts in climate and nature action, ensuring that the speed, scale and coordination of our action meets the urgency and pervasiveness of the crisis by aligning ambitions, coordinating efforts, exchanging learnings, and pooling resources with other organisations.

The Collaborative convenes foundations, philanthropists, corporations, public

institutions, and other donors to commit significant funding for systemic climate action. It harnesses the complementary capabilities of diverse implementing partners and communities to achieve a symbiotic partnership. It is intended to direct sustained multi-year, unrestricted funding towards the work that goes into systems transformation and orchestration of systems innovation, partnering with local communities that are making a difference on the ground. Our objective: to facilitate efficient, effective, integrated action and a shared knowledge base, allowing us to learn continuously and collaboratively from our global experiences.

Despite the many divergent paths and critical decisions ahead, the next five to ten years may be the period when crisis catalyses and unites. This will be the decade for unprecedented and unexpected partnerships. EIT Climate-KIC is committed to transformation at the scale and pace necessary to create the kind of world for future generations to thrive.

# About EIT Climate-KIC

EIT Climate-KIC is Europe's leading climate innovation agency and community, supporting cities, regions, countries and industries to meet their climate ambitions through systems innovation and place-based transformations.

Headquartered in Amsterdam, with a 180strong staff team across Europe, EIT Climate-KIC orchestrates innovation in over 50 countries globally including in Africa, Asia, Australia, Europe, North and South America, working with a community of about 200 organisations comprised of corporates, startups, universities, research and technology entities, local community organisations, and city, regional and national governments. EIT Climate-KIC was founded in 2010 as one of the first Knowledge Innovation Communities (KICs) created by the European Institute of Innovation and Technology (EIT). EIT Climate-KIC uses a place-based approach, that grounds climate action at the local level. By prioritising solutions developed and implemented in local contexts, we build momentum and inspire action. We make systems transformation meaningful by enabling change in the places where people live and work, creating a positive feedback loop for change.

With our Community members, we generate, implement and integrate climate solutions by mobilising finance, new business models, institutional change and behavioural change. Large-scale demonstrations employ iterative cycles of innovation and learning to build resilient communities, prove what is possible and trigger exponential decarbonisation.



# Our Mission and Value Proposition

EIT Climate-KIC's mission is to catalyse systemic change for climate action through innovation. Our approach is holistic, systemic and place-based. We integrate sustainable economic development, social change, new institutions and technology solutions to advance climate mitigation, adaptation and environmental regeneration. We see these elements as interdependent. Through collaboration, EIT Climate-KIC mobilises large-scale demonstrations to show how innovation and learning, woven together, can trigger exponential decarbonisation and build resilient communities. We build momentum by demonstrating what is possible.

Over the past decade we have learned that individual solutions like solar PV, carbon removal technology or a carbon tax, no matter how brilliant, cannot achieve the systemic transformations we need at the scale and speed necessary to impact the climate crisis. Our 'systems innovation as a service' model is delivering positive change scaled to cities, regions, countries, communities and industry value chains. It is designed to support and implement outcome-led or mission-led approaches to transformation, grounded in the contexts where change can be seen and community-led.

In line with to our commitment to the UN Sustainable Development Goals, in the next decade we will bring learning, insights and knowledge from existing transformation work streams. We lead consortia of partners implementing the EU Mission Climate Neutral and Smart Cities, EU Mission on Climate Adaptation and EU Mission 'A Soil Deal for Europe', supporting over 100 cities and 150 regions across Europe to deliver on breakthrough climate goals. We have developed Deep Demonstrations of change in Ireland, Spain, and Slovenia, and in industrial value chains in Spain and Poland. We work with local partners throughout the world, with a particular focus on Africa and Latin America to build innovation ecosystems that support local development of solutions in the Global South.

Our innovation portfolio creates compelling investment opportunities that include single investable assets such as start-ups and projects as well as strategic investment portfolios that span multiple asset classes and are designed to catalyse the transformation of specific systems. Together with our community and partners, we empower the transition. We incubate. We implement. We create the conditions to shift mindsets and behaviours, to stimulate decision makers and investors to act. We build skills to accelerate learning and to identify where innovation can best transform systems and bridge siloes. This is EIT Climate-KIC's work of orchestration.

We work every angle to make connections, search out promising solutions, bring people together, facilitate collaboration, attract finance, and integrate different pieces of the puzzle. We know that the whole can be greater than the sum of the parts.

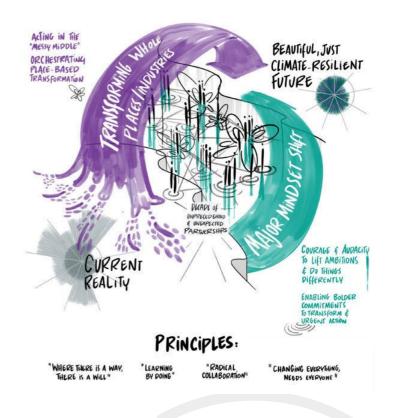
# Our Strategy 2024 – 2030

At the end of 2023, we launched our 2024-2030 strategy: Transformation with Urgency. It describes how we will meet the unprecedented need and duty for radical transformation required not only to limit the catastrophic effects of global heating, but to shift fundamentally mindsets and practices to allow humans and nature to thrive. It elaborates the way in which EIT Climate-KIC will help to bridge the implementation gap between climate commitments and current reality, making change happen in the 'messy middle': the place of on-going tensions, profound uncertainty and altering timeframes between where we are and where we need to be.

The social, political and environmental impacts associated with each tenth of a degree of temperature rise increase volatility and complexity, as well as opportunity. Isolated approaches and single-point solutions are not enough to address this. We must act now to achieve transformation at the scale and speed needed to impact the climate crisis, by testing, learning and sharing comprehensive, systemic climate change solutions.

Our 2030 goal is to transform over 400 cities, regions and countries in Europe and beyond into just, climate-resilient, and regenerative places, partnering with large and small businesses in those contexts. We will foster collaborative partnerships between citizens, leaders, civil society and the public and private sectors. We will enable the cities and regions we support to mobilise approximately €10-15 billion each for large-scale programming. We will enable transformation in the places we work through Deep Demonstrations of iterative experimentation, collaborative learning and systems innovation.

### EIT CLIMATE-KIC'S MISSION: CATALYSE SYSTEMIC CHANGE



#### Our strategic choices

Self-assessment, experience and deep reflection on the scenarios we see ahead, led us to the following eight strategic choices that will allow us to guide places and industries through the 'messy middle.'

- Systems innovation to catalyse positive tipping points for change
- A combination of depth and breadth to build momentum
- Emphasis on learning to create adaptive capabilities
- **Radical collaboration** to overcome fragmentation and competition
- Illustrations of viable common futures to engage imagination and aspiration
- Innovations to allow people to live well with less (starting in the Global North)
- Technology advances and naturebased solutions to lower emissions and build resilience
- Financial mobilisation and new institutional forms to stimulate and shape investment

EIT Climate-KIC will use these strategic choices to navigate tensions and trade-offs that will occur as society and nature shifts in unpredictable ways. Across all our work, we reject simplistic binaries for interdependent, interdisciplinary and composite solutions that acknowledge the web of local and global relationships that shape how we live. We will use our eight strategic choices to move us forward while balancing the tensions inherent in our work.

#### The strategy development process

Our strategy and strategic choices were deeply informed through an 18-month long process. We conducted an external review of our 2019-2023 strategy and underwent an extensive consultation process of our internal and external stakeholders. This culminated in an all-hands meeting of 115 participants in April 2023, where our partners, peer organisations, staff, and community members came together to share ideas for this strategy.

Leading into this meeting we held a series of 'possible futures' conversations, tapping into the incredible collective intelligence of multidisciplinary experts, practitioners, thinkers and storytellers to reflect on humanity's greatest challenges today and bring outside perspectives to our strategy.

These dialogues generated actionable "insights" that span universal themes, allowing us to look beyond our own horizons to see the patterns that transcend the barriers of our individual disciplines and connect our strategy to future trends.

In the next seven years, EIT Climate-KIC will deepen and accelerate implementation with partners who set ambitious and transformational goals to deliver climate positive, resilient places to live and work.

# EIT Climate-KIC in Numbers

EIT Climate-KIC aims to catalyse large scale, systemic change in countries, cities and regions in support of their climate targets. This work includes programmes of work within specific impact areas, to develop portfolios of connected innovations.

By 2027, we aim to have: Strengthened the climate resilience of 10 million people

Contributed to the avoidance of 500 million tons of CO<sub>2</sub> emissions

With contributing outcomes of: Leveraging to scale-up innovations tackling climate change €100 billion

Supporting the creation of **50,000 green jobs** 

Becoming the strategic partner to achieve netzero emission and climate resilience to over **100 cities, regions, and countries** 

Providing enhanced innovation and entrepreneurial skills to 200,000 people across Europe

#### We have been contributing to these goals by:

Supporting

**119 European cities** to reach their 2030 net-zero goals

Becoming the strategic partner through our Deep Demonstrations to

**2 countries, 1 European region** to reach mitigation and adaptation goals

Delivering climate leadership training and education to

44,000 participants

Building the world's biggest green start-up ideas competition, ClimateLaunchpad Incubating 3456 start-ups

Developing the world's most extensive climate tech accelerator, ClimAccelerator,

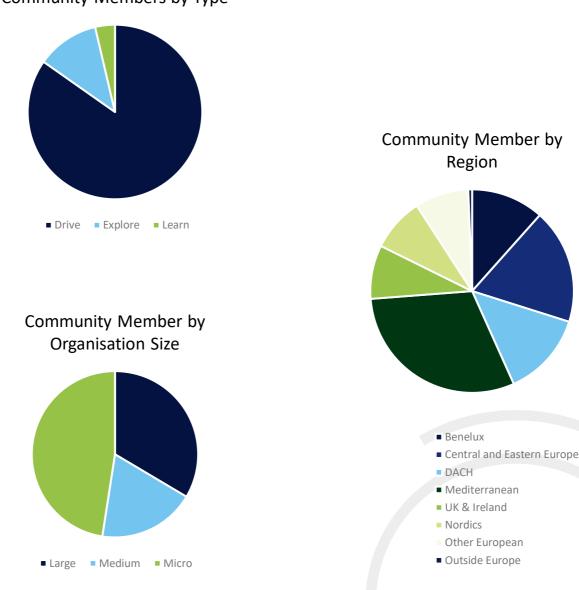
Supporting 2578 climate positive businesses Raising € 5.486 billion in follow-on investment Creating 16,000 jobs Launching 469 innovative products and services

# Our Community

At our core, EIT Climate-KIC is a community striving for radical collaboration. We work on a shared principle that we can achieve more by learning from one another, by accelerating our learning through implementation and collective sensemaking, by discovering and demonstrating what works – and what doesn't - and through sustained collaboration.

Our community enables its members to work together for climate impact. Members can do this in several ways. They connect to learn together and network, to engage collectively with the climate movement at major events, to collaborate in sub-communities, and to mobilise and activate ideas.

In 2023, formal membership of EIT Climate-KIC's community of partners comprised 164 members.



Community Members by Type

# Our 2023 Highlights

### Supporting Ireland to lead the way in food systems innovation

Decarbonising agriculture and food production is one of the biggest challenges of this decade. Ireland's agri-food sector contributes 37 per cent of the country's overall greenhouse gas emissions. Yet the country has committed to cut a quarter of these by 2030, and to achieve climate neutrality by 2050, in line with the EU bloc's target. How can food systems innovation accelerate the change needed?

Agriculture is not only Ireland's largest domestic sector, but it has profound ties to the country's social and cultural fabric. In a landscape dominated by green grasslands, ruminant livestock herds, and lush landscapes with ponds and wetlands, farmers regard themselves as guardians of Ireland's unique environment and way of life. Indeed, farming in Ireland is traditionally a family affair: there are approximately 137 thousand farms scattered across the country, with an average size of 32 hectares, often going back many generations.

This means that decarbonising agriculture and food production (the largest source of the country's overall emissions) presents a unique sets of challenges and encompasses a lot more than reliance on technological advancements.

Ireland has already taken steps in the right direction. Since the 1990s, there has been a steady diversification of land use in favour of croplands, forests, and other uses. The country has now ambitious climate action plans and targets that it didn't have before, as well as successful nationwide sustainability



programmes. Yet the economic significance of the agri-food sector (exports were a record €17 billion in 2022) combined with the smallholder, aging and low-income farming landscape, often relying on subsidies and loans, has put the brakes on change.

Government actions and incentives have resulted in a decrease in greenhouse gases emitted from managed grasslands and an increase in forest. Yet this incremental progress is far too slow. So the country is increasingly turning to solutions that can have a much bigger impact, such as climate-smart agriculture and food systems innovation.

# The challenge: how can we demonstrate what climate-neutral food systems look like?

Ireland's Department of Agriculture, Food, and the Marine and EIT Climate-KIC, Europe's leading climate innovation initiative, have partnered to trial, test and scale this transformative approach. By applying EIT Climate-KIC's Deep Demonstration model of innovation, the partnership is fostering a collaborative process to identify, test at scale, and implement a range of connected, innovative solutions to accelerate systemic change. In Ireland, that means working with farmers, businesses, policymakers, researchers, and citizens to create and implement together tailored solutions to sustainability challenges, while learning from each other and collectively pushing forward climate action.

## Supporting a just transition for Ireland's farming communities

This mapping of the Irish land and agri-food sector has returned a complex landscape with promising levers that can be pulled to move the system forward. One such insight is that farming communities are both the most impacted by climate change and the main actors in its fight.

Farmers have been balancing the contrasting pressure of keeping up with food production demand with cutting down on harmful environmental practices, such as reliance on pesticides and methane-emitting livestock. At the same time, farmers' livelihood is challenging. Family farm income in 2021 was on average a mere 34 thousand euros, with almost a third of all Irish farms considered to be economically vulnerable.

It comes as no surprise that a sustainable land management approach requires farming communities and cooperatives to actively engage in its planning and implementation. Positive farm-level measures have been steadily taking place from conversion to more efficient and clean energy systems, such as photovoltaic technology, to the purchase of precision agriculture equipment. What's missing is a collective, systemic approach.

## Beyond technology: shifting to sustainable food production and consumption

The combined challenge of reducing emissions and diversifying income streams goes beyond technology. Current distrust by farming communities towards national and EU agricultural policies is fuelled by perceptions of hyper-criticism, limited influence, and changing priorities. Strategies where local food councils and taskforces involve farmers and rural communities in the decision-making are paying off in Scotland and Belgium, and may represent a model to foster dialogue and collaboration for Ireland too.

They can also represent an effective way to connect farmers and citizens, fostering models centred on cooperatives and producer associations and raising awareness among consumers on the necessity to shift to healthy, local and equitable food production. This would also help to cut down on food waste, which currently amounts to one million tonnes per year.

The ambitious journey to climate-neutral food systems starts from the farm and ends on the table. All actors in this chain have a role to play. In Ireland, our Deep Demonstration is taking stock of the progress already made, connecting the dots, and steering individual initiatives in the right direction. Now, moving to the partnership's next phase calls for all hands-on deck.

# Pioneering a circular transformation: Slovenia's first portfolio of innovation action

Since 2021 The Republic of Slovenia has been on an ambitious endeavour to become a European leader in transforming and decarbonising its economy. Together with EIT Climate-KIC Slovenia has been working on 'Deep Demonstration of Circular, Regenerative, and Low-Carbon Economy.' In 2023, the partnership produced its first portfolio of innovation actions, which addresses one of the hardest to abate areas: the built environment. The approach challenges conventional norms, urging stakeholders to explore opportunities for impactful and sustainable change in the built environment value chain.



The construction sector in Slovenia poses some of the greatest challenges in its transition to a circular economy, and yet, at the same time, offers some of the greatest potential.

To meet its ambitious objective of a circular, regenerative and low-carbon economy, the Slovenian government has embarked on a transformative journey with EIT Climate-KIC which began in 2021 with the Deep Demonstration programme. In partnership, they aim to create a transition pathway to a circular economy for five key Slovenian value chains including built environment, the food, mobility, forest-wood and manufacturing industries are also on the agenda. Each sector transformation is addressed across five transformation pillars: policy, education, entrepreneurship, finance and capability building.

Through the Deep Demonstration methodology, systems are mapped and priority areas of intervention and experimentation are identified. This leads to the development of portfolios of innovations actions, which include key activities and interventions. Subsequently, in an activation phase, stakeholders are mobilised to implement actions.

In 2023, the first portfolio of innovation actions for this Deep Demonstration was launched, aimed at tackling challenges in the build environment sector.

## A portfolio of interconnected actions for the built environment sector in Slovenia

The built environment was the first sector for which a portfolio of innovations was created. Stakeholders from the business sector, academia, NGOs, government agencies, private and public bodies as well as industry experts were invited to work on the portfolio. They worked together to extract lessons and insights from ongoing projects within the Slovenian landscape and to create a portfolio of priority initiatives while identifying and addressing barriers to the adoption of circular practices in the value chain.

In the built environment portfolio, several measures were activated, encompassing a range of intervention points and levers for change. The primary focus is on promoting sustainability in the use of wood as secondary raw material (SRM). One of the key measures is to support the development of digital platforms for local SRM in order to expand the participation of companies in circular economy initiatives by enhancing the dissemination of SRM within the built environment sector.

According to Alenka Mauko Pranjić, the Head of the Department of Materials at the Slovenian National Building and Civil Engineering Institute, and one of the codesigners of the portfolio, awareness regarding the advantages of utilising SRMs remains limited among stakeholders in Slovenia. She emphasises: *"In many instances, SRMs exhibit even better performance than primary raw materials in construction products, but their introduction into the market faces challenges. There is a deficiency in both awareness and demand from investors."*  Ms Pranjić notes that there is indeed a market for SRMs, but digitalisation and education play pivotal roles in promoting their adoption: "We are actively advocating for digital platforms for SRM because we find that digitalisation is a very up-to-date innovation that is gaining traction in the construction industry. We see architects and designers using digital tools. On the other hand, we recognise the synergy with the circular economy as it enhances the traceability and transparency of material flows, aspects we consider crucial in fostering confidence in construction products from SRMs.

Another key activity area of the portfolio is to expand Slovenia's current green public procurement legislation. Here the main issue is to improve policies for the use and acceptance of SRM and nature-based materials (NBM) in the construction industry, and to create a market and framework conditions for companies to invest in and benefit from NBM and SRM. The Policy Lab, which was created along with the Deep Demonstration process, addresses these activities and conducted a targeted experiment in collaboration with the Ministry of Public Administration.

The built environment value chain portfolio is moving to the next phase of defining ownership for the specific actions identified before extracting lessons that can be used in the development of subsequent portfolios. The food sector portfolio will be the next to be launched. Once the portfolios for all value chains are developed, they will all be brought together in an overarching portfolio that will set the direction for Slovenia's transformation to a circular economy.

### European Cities learning together how to achieve climate neutrality by 2030

As part of the European Union's Horizon Europe Mission '100 Climate Neutral and Smart Cities' and its implementation programme, NetZeroCities, in February 2023, the first cohort of a Pilot Cities Programme (PCP) was announced. This set of 53 cities were selected from over 100 applications from 33 countries from across Europe. The main objective of the programme is to support cities to develop concrete solutions to their climate challenges, previously defined in their Climate City Contracts, which often serve as their climate strategies.

In 2023, The first cohort of pilot cities supported by the NetZeroCities platform began their journies. The Pilot Cities Programme (PCP) is a key part of the delivery mechanism of the EU Cities Mission which engages and supports 112 'mission cities' committed to achieving climate neutrality by 2030. EIT Climate-KIC leads the NetZeroCities platform implementing the EU Cities Mission.

In this pilot cities cohort, 53 cities were selected, including Amsterdam, Madrid, Rome and Warsaw. Through the PCP, over two years, cities receive capacity-building training and support from dedicated city experts to help them identify their main sources and map out potential solutions to emissions mitigation.

Galway, for example, has focussed on retrofitting private homes in a decarbonisation area. Liberec and Guimarães set up energy communities to test out a range of solutions from transport and energy consumption in buildings to improved waste management. The Swedish city of Uppsala focussed on the local circular economy by improving material flows, especially in the building sector. Polish cities are working together to develop



retrofitting digital solutions that will be scalable to other cities in Poland and beyond.

#### Learning how to reach climate neutrality

The approach the programme takes is about exploring different pathways and understanding how local ecosystems work so that cities can have more clarity on how to deliver the desired changes. Through it, cities aim to set up new services or entities, conceive of new tools to aid decarbonisation, or set up local projects.

The programme can be thought of as a testing ground where participants explore how their cities can learn and practice systems change, all the while exchanging with and learning from their pilot city 'colleagues'.

Before being selected, cities had already taken part in learning activities offered by the programme. From some of these early sessions, similarities began to emerge. The need to define what role a city administration should be playing in the transition, the need for good practices that will boost citizen involvement and the difficulty in identifying and engaging the right stakeholders that should be involved in the climate transition as partners are some of the recurring themes.

"The goal of this process is that cities are able to use all of their findings to ultimately guide their decision making, guide their investments, and involve a wider audience, be it citizens or communities, but also more importantly the decision makers and politicians who influence those processes they are trying to change," says Nikhil Chaudhary, Strategic Learning Lead in NetZeroCities.

#### Collaboration for transformation

In the spirit of being a space for participating cities to practice on the ground approaches to systems change, the programme has provided a deep learning syllabus, including boot camps, summer and winter schools, peer learning and sensemaking sessions. Through these, cities generate key insights about how change is happening, what can be extracted from this and applied more broadly, and in turn build capability and capacity for the work of systemic change across the entire city. In addition, as cities learn what works (and what doesn't) in their context, the innovative pathways they are experimenting with can then be scaled and replicated by other cities, thereby maximising the reach and impact of their work, and the wider Pilot Cities Programme.

There are no predetermined solutions to systems interventions, and many unforeseen challenges emerge along the process. This part of the programme has provided cities with tools to address these through guided and continuous learning opportunities, so that plans can be adapted over time. The sensemaking process has provided a secure environment for cities to not only showcase their successful stories but also openly share their challenges, enabling valuable insights to inform future steps and allow cities to develop blueprints from the relevant experiences of others.

### Galway gains ground towards net zero goals

As part of the first cohort of pilot cities, Galway, Ireland had made an ambitious pledge to reduce greenhouse gas emissions by 51% by 2030 and become carbon neutral by 2050. Galway's intention through the PCP is to move from individual to collective action, mobilise the community and affect real change.

Supported by project partners the Northern & Western Regional Assembly, the Galway Energy Co-operative, the University of Galway and the Atlantic Technological University, the project has the goal of retrofitting 250 private homes in the Galway Westside area – buildings that the council has no direct influence over – during a two-year period.

Shannon Carroll, Project Coordinator for Galway's programme, explains: "The project aims to retrofit homes, but it's about much more than that; [it's] centred around people, place and process."

The 'people' part of the equation is addressed through the community-based Warm Home Hub. It is a free-of-charge consultancy service for people who live in the Galway Westside area, providing information on tailored solutions for upgrading specific homes. "*The first year has been mostly about learning, planning and meeting local people,*" says Kieran Cunnane, Manager and Technical Officer at the Warm Home Hub. Reflecting on this time, Cunnane says, "We have managed to reach quite a few of the local people, but it's been mostly low-hanging fruit. In the second *year, we want to get more people involved and reach new target groups.*"

With the first year of learning completed, Galway is ready to go deeper and bring more people with them on the retrofitting journey.

### Spanish cities unite in their journey towards climate neutrality

Spain's citiES 2030 platform is a model of radical collaboration amongst global environmental initiatives. Initiated in 2020 among a few Spanish cities to reimagine their future amidst rising global temperatures, it has evolved into a comprehensive national platform. In 2023, it included 15 cities, 8 academic institutions, 17 private entities, and 7 public institutions, collaboratively working towards accelerating local climate action for decarbonisation and climate resiliency.

citiES 2030, officially launched in September 2022, is fully aligned with the European Union's Mission 100 Climate Neutral and Smart Cities, implemented through the NetZeroCities programme under Horizon Europe. It was developed by EIT Climate-KIC and the Universidad Politécnica de Madrid, with support from the Spanish Ministry for the Ecological Transition and the Demographic Challenge through the Fundación Biodiversidad. Its aim is to support Spanish cities in their transformation towards climate neutrality by 2030, leveraging collective intelligence and action from public and private sectors, academia, civil society, and citizens.

In 2023, citiES continued strengthening cooperation and cooperation across cities in Spain. For this, the platform hosted its annual Summer Course in July 2023, a key event for members to co-design citizen engagement and private sector strategies for Climate City Contracts. Additionally, in October and early November, Climathons focused on the challenge of urban heat islands were conducted in eight different cities, with a



strong emphasis on sharing lessons learned and achievements across these urban centres.

Additionally, in 2023, the training component of the programme turned its attention to the development of Climate City Contracts. This stage of the programme channels all previously acquired knowledge and insights into crafting climate-focused solutions and formalizing commitments. Cities received detailed guidance on drafting these contracts, which serve as roadmaps for their climate action strategies. This goes beyond just planning; it considers crucial elements such as innovative financing methods and engages a broad range of stakeholders, ensuring a holistic approach to sustainability.

Another crucial component of the programme is implementation, where plans and strategies are put into action. This includes executing multi-city projects, fostering public-private partnerships, and mobilizing community involvement. For example, the multi-city building retrofit initiative under the Energy Rehabilitation Programme has been addressing the challenge of outdated and energy-inefficient buildings, a substantial source of emissions. The aim is to significantly increase the renovation rate of these buildings, revitalizing urban areas. To ensure effective implementation, it relies on the combined efforts of public, private, and social sectors, with active citizen involvement essential for both initiating and sustaining the project.

In October 2023, citiES 2030 reached a notable milestone with seven cities — Madrid, Barcelona, Valencia, Seville, Zaragoza, Valladolid, and Vitoria-Gasteiz — submitting their Climate City Contracts, the first European country to accomplish this. Five of these cities have been awarded with the Mission Label from the European Commission for their climate commitments.

Looking forward, in 2024 the platform is set to broaden its impact with five additional cities. This expansion will bring the total to 20 cities, enhancing the initiative's geographical diversity and representation. These steps mark both the progress made in bridging the gap between climate ambitions and current reality, and the path forward in the collective journey towards climate neutrality.

# Call open for 100 European regions to step up transformative climate adaptation

Pathways2Resilience, the flagship project under the EU Mission for Adaptation to Climate Change, led by EIT Climate-KIC, launched a call for applications to select the first cohort of regions to receive €21 million in direct funding to develop transformative climate adaptation plans. The call was unveiled at a launch event that explored how this could be a starting point for innovative and radical ways of cross-border collaboration and knowledge exchange.

After the January 2023 launch of the Pathways2Resilience (P2R) initiative and a first year of programme building, in December 2023, P2R opened its first call for applications. Forty regions will be selected for direct support to develop strategies and action plans to boost their climate resilience. Regions will receive up to €210,000 each to advance their approaches to climate adaptation planning.

At the launch event in Brussels, Elina Bardram, Director for Adaptation & Resilience, Communication and Civil Society Relations at the European Commission's Directorate-General for Climate Action and Mission Manager for Adaptation to Climate Change, underscored the importance of this support for regions: "As part of the EU Mission Adaptation to Climate Change, Pathways2Resilience will help regional and local authorities to explore different adaptation scenarios and innovative solutions in a systemic way, and to find the pathway best suited for their needs. I encourage regions in every stage of their climate resilience journey to apply to the programme and benefit from its funding and services."



## An innovative approach to climate adaptation planning

The P2R initiative offers a new methodology for climate adaptation planning, developed by EIT Climate-KIC and ICLEI. At its core is concrete guidance on how to develop transformative innovation agendas. The regions selected from this call will use this methodology through Innovation Practice Groups, exploring key steps such as understanding risks, identifying adaptive options, and formulating flexible strategies.

In addition to the direct financial support, regions will also be supported to formulate robust investment plans to be able to carry out their adaptation strategies. A finance innovation lab will help the selected regions better navigate available public funding and learn how to leverage money strategically, in a way that can also unlock greater private investment.

This call signals a future for regional and community-scale resilience, based on collaboration and systemic change. The 40 regions selected will be announced in August of 2024.

### EIT Climate-KIC joins EU Mission Soils as implementation partner



Soil is a precious resource under threat. It is estimated that more than 60% of EU soils are affected by pollution, erosion, or other types of degradation. One of the challenges set by Horizon Europe is to transition to healthy soils by 2030. The EU Mission 'A Soil Deal for Europe', is a new way to bring concrete solutions to these challenges.

Led by the European Network of Living Labs (ENoLL), EIT Climate-KIC was selected as one of the 47 international partners that will help create a one-stop-shop support structure for the network of 100 Soil Health Living Labs and Lighthouses during the EU Mission 'A Soil Deal for Europe' implementation.

#### Living Labs and Lighthouses

The EU Mission Soil is pioneering and accelerating the transition to healthy soils by 2030, supporting the long-term commitments at European and global level within the Green Deal and Sustainable Development Goals.

One hundred living labs and lighthouses are leading the transition and are accelerating the creation and uptake of solutions by land managers, showcasing measurable increase in soil health, as well as improving social capital and citizen awareness.

Living labs are places to experiment on the ground with real-life conditions, operating with end-users like commercial farms or forest exploitations, real urban green parks or industrial sites, and other actors such as NGOs or local authorities. They are collaborative initiatives to co-create knowledge and innovations while lighthouses are places for demonstration of solutions and of exemplary achievements. Lighthouses are individual, local sites (one farm, forest exploitation, industrial site, urban city green area, etc.) that can be included in a living lab area or be located outside a living lab area.

The Soil Health Living Labs and Lighthouses will involve a diversity of actors to ensure cocreation across sectors and disciplines and to speed up the take-up of new ideas, approaches, and solutions.

#### First calls in 2024

The EU-funded Framework Partnership "SOILL – Support Structure for SOIL Living Labs" and EIT Climate-KIC's participation was announced in July 2023 and work was set to begin January 2024, with its first call for proposals in February.

# 6 New European Bauhaus projects secure funding to enhance local communities

The EIT Community New European Bauhaus (NEB) selected six innovative projects to receive support through its community-focused Enhance NEB programme. It aims to strengthen projects that previously participated in both the Connect NEB and Co-create NEB programmes by either scaling them up within an existing location or replicating the innovations elsewhere.



As part of the wider New European Bauhaus (NEB) initiative, in November 2023 six projects were selected projects to help shape an alternative future for the continent – built on the principles of sustainability, inclusivity and beauty. EIT Climate-KIC is one of several KICs participating in the EIT Community NEB initiative, which is ideally placed to support implementation of the NEB. Together, the EIT Community KICs have created Europe's largest innovation ecosystem with over 2,000 partners (business, research, education, cities) cooperating in over 60 hubs across Europe. The Enhance NEB programme will fund up to €40,000 per project, as well as offer business coaching, mentoring and access to one of the most prominent innovation communities in Europe.

### Meet the six selected project

#### Neiva Community Lab, Portugal

The Neiva Community Lab, in collaboration with Rio Neiva and the municipalities of Esposende and Viana do Castelo, is an experimental initiative that connects the local community with regional, national, and international stakeholders to transform the area surrounding the mouth of the river Neiva, in northwest Portugal.

The initiative offers a local testing ground for some of our most significant challenges, such as climate change and biodiversity threats. It also addresses socio-economic issues, including population decline, ageing and lack of economic prospects, which are common in semi-rural settings.

For more information about the project, please visit: www.rioneiva.com/lab/

#### Spread the LoTs, Slovenia

This initiative is focused on the re-use centre in Velenje, northeast Slovenia, and the location of one of two new Libraries of Things.

A Library of Things (LoT) is a library where you can borrow anything but books – and specifically seldom used items, such as electric tools, camping gear and sewing machines. This concept allows people to understand the broader social and environmental impact of the sharing economy.

Following the opening of a LoT in Ljubljana in 2015, the Connect NEB programme paved the way for a new location on the opposite side of the city. As the project developed, discussions began with institutions and organisations in other Slovenian cities. The Enhance NEB programme funded two new LoT locations in the France Bevk Public Library in Nova Gorica and the re-use centre in Velenje.

The ambition of the project is to work closely with local citizens to demonstrate how integrating the LoT within institutions can not only attract new users but, more importantly, ensure long-term financial sustainability, while still offering a non-profit community rental service that champions the circular economy.

For more information about the project, please visit: www.knjiznicareci.si/spread-the-lots/

#### Harbors Barcelona, Spain

The Barcelona coastline that will host the Harbor regatta featuring boats made by the local community.

In 2022, HARBOR Paris explored the city's relationship with the river Seine through a community boat-building project with people at risk of social exclusion.

HARBORS Barcelona is now working to replicate this methodology by working with young people to learn more about the city's maritime heritage – focusing on aspects such as ethical consumerism, the impact of industry, beach cleaning and the consequences of climate change.

Participants will co-design and build their own wooden boats, which they will use to participate in a regatta on the Barcelona coastline. The aim of this activity is to promote both a sense of connection to the sea and belonging to the community.

For more information about the project, please visit: www.harbor.paris/barcelona

#### Awaiting Recovery (AwaRe), Slovenia

An artist's impression of the redesigned outdoor space surrounding UMC Ljubljana.

In 2022, urban design studio Prostorož began researching the open spaces surrounding the clinics of the University Medical Centre of Ljubljana (UMC) and the nearby Oncology Institute. Although healthcare professionals, patients, and their relatives are the main users, they are rarely included in discussions about how to improve these spaces.

Through the AwaRe project, Prostorož is working with the Municipality of Ljublijana to enhance walkability and accessibility within the UMC. In close collaboration with the people who use and maintain the hospital areas, the project aims to achieve long-term support for accessible, open space that promotes wellbeing and aids recovery.

For more information about this project, please visit: www.prostoroz.org/projects/ukcljubljana

#### Play AUT the Box, Spain

An example of play infrastructure designed for children with Autism Spectrum Disorder (ASD).

The ambition of the Play AUT the Box project is to rethink public space, and specifically children's play areas, with and for children with Autism Spectrum Disorder (ASD), and their families. While the previous ASD Publics project focused on producing autism-friendly design guidelines and a co-creation methodology, Play AUT the Box shifts the attention to specific play infrastructure, such as play containers housing toys for children with autism.

Experts from different disciplines, carpentry students and most importantly, families of children with autism will participate in a collaborative, iterative co-design process to create an autism- and environmentally friendly version of the play containers and contents. This process will include three workshops and a testing session where autistic children will play with the prototypes.

For more information about the project, please visit: www.asdpublics.eu/play-aut-the-box-english/

#### NEB Living Corridor, Italy

The Living Corridor launch event took place in November 2023 at the University of Turin SME Garden (Orto della SME).

Based in the School of Management and Economics at the University of Turin, the Living Corridor project aims to engage the community of students, citizens, gardeners, children, and people with disabilities through a series of participatory co-creation initiatives.

The ambition of the project is to set up a corridor of planters, but also a neighbourhood tool and seed library, as well as educational and training initiatives. The successful kick-off event in November 2023 drew more than 100 attendees, including students, faculty staff, and partners from the City of Turin, the Agroinnova Centre and the Mandala Association.

For more information about the project, please visit: www.crowdusg.net/lorto-della-smeunito/

The Living Corridor, Italy

# EIT Climate-KIC launches the *Investing for 1.5C* initiative with founding partners Ship2BVentures and UnaTerra



Together with partner Una Terra, EIT Climate-KIC launches the Investing for 1.5C initiative, in July 2024. The initiative aims to add further investment capital and momentum to the implementation of the European Green Deal. Investing for 1.5C works with committed impact investment funds to support businesses that will not only generate transformative climate impact, but will form the building blocks of a new, type of economy.

As the world experiences the hottest global mean temperatures ever recorded, the need for bold and transformative climate action is urgent. Investing for 1.5C is a new initiative, led by EIT Climate-KIC, that works with a select group of committed impact investment funds to support businesses that can generate transformative climate impact, and begin to create the foundation for the new, regenerative and circular economy that is needed.

UnaTerra Venture Capital Impact Fund and Ship2B Ventures are founding partners in the Investing for 1.5C initiative. EIT Climate-KIC leads the initiative and provides the partner investment funds with strategic guidance, climate impact advice and portfolio-shaping support. At the same time, UnaTerra and Ship2B Ventures each bring a unique focus on a different aspect of the climate innovation journey by looking at a particular sector, geography, or stage of development. By working collaboratively with a shared vision for impact, the initiative aims to unlock new possibilities for the exchange of knowledge, insights, and learnings on how to enable catalytic and transformative innovation.

Kirsten Dunlop, CEO of EIT Climate-KIC said: "We know that a just, climate-resilient, beautiful future is possible. But to get there we need to invest in it. We need to create and connect solutions in integrated ways, and we urgently need to mobilise funds and investors who wish to bring that future into being. We are in a race to limit warming below 2°C. That will only be possible through profoundly transformative innovations in business models and in economic models. We must be bold enough to challenge our own assumptions and ambitious enough to fundamentally transform whole places and ways of living through systems change."

Luca Zerbini, CEO and Founding Partner of UnaTerra said: "At UnaTerra we want to scale solutions, at speed, that lift the world out of climate change and biodiversity loss. This requires investing as a means, not an end, to go where markets have failed and impact has fallen short. Delivering both, a fair financial return, and more importantly, promote and scale prosperity for both people and the planet. This is why we are excited to partner with EIT Climate-KIC on Investing for 1.5C and we look forward to supporting businesses that genuinely impact climate and biodiversity through this unique partnership."

Xavier Pont, Managing Partner of Ship2B Ventures said: "Ship2B Ventures believes in backing bold entrepreneurs that chart their own course and generate lasting impact through scalable businesses. We are pleased to bring our experience in early-stage impact investing to this high-ambition collaboration." Investing for 1.5C includes the generation of a uniquely diverse pipeline of investment opportunities through the ClimAccelerator programme, unparalleled reach across the EU innovation landscape through place-based innovation programmes, and systemic impact guidance from the EIT Climate-KIC network.

Importantly, these two investment funds join the EIT Climate-KIC community and provide further momentum to the implementation of the European Green Deal and Horizon Europe Innovation Missions. At the same time, EIT Climate-KIC joins their ecosystems of selected partners for unique European impact investing.

### **The SILP Experimentation Fund**

EIT Climate-KIC and the Swedish International Development Cooperation Agency (Sida) have been working together on the innovative Systems Innovation Learning Partnership (SILP). In May 2023, the partnership's Experimentation Fund welcomed a cohort of seven grantees and their innovative experiments in systems change.



Systems Innovation Learning Partnership (SILP) is reimagining how we respond to global challenges through the lens of systemic innovation. We seek to create novel approaches that transcend conventional knowledge, building a vibrant community of innovators and pioneers committed to transformative impact.

In May 2023, SILP launched the Experimentation Fund, welcoming seven

grantees with pioneering projects aimed at driving systems change. The idea was to understand how shifting the power dynamics within funding processes can catalyse deeper and more sustainable systems change.

The areas of interest for the fund were:

• Experimenting with a shift in the power dynamics of funding, in service of supporting systems change.

- Exploring how systems can be changed by altering the practices and structures of development cooperation funding.
- Generating knowledge and insights around systemic impact through a learning-centred approach.

These seven initiatives chosen, spanned diverse geographical, cultural, and socioeconomic contexts, were engaged in a yearlong journey to explore and implement innovative strategies that can reshape entire systems.

This was not just an experiment for the initiatives —it was also an experiment for the SILP partnership. The commitment to a learning-centred approach means that it too is a part of this transformative process.

From this cohort, we saw how SILP's approach led to profound shifts in how funding relationships and systemic innovation are conceived. Grantees formed strong, trustbased relationships, which allowed for more open collaboration and the exploration of bold solutions to complex challenges.

The SILP experiment revealed the power of cocreation, trust-building, and shared ownership in achieving systems change. By breaking away from traditional top-down funding models and creating collaborative relationships among funders, experiment teams, and key actors, SILP created conditions for innovation that would not have emerged through more prescriptive approaches. The importance of relationships rooted in shared humanity, vulnerability, and trust was stressed as essential to driving transformation. SILP demonstrated that systems change is a gradual process, requiring continuous adaptation, but it has already begun to shift mindsets, behaviours, and institutions within participating communities.

"By participating in SILP's Experimentation Fund, we have recognised the immense power that lies in funding for learning – it has allowed us to develop this project without the limitations of a predetermined, fixed and rigid vision of results and has instead allowed us to harness the potential that exists within the local system to cocreate and catalyse sustainable transformations."

*Javier Guillot and Antonia Brock, Power Compost, member of the SILP Experimentation Fund Cohort* 

To meet the cohort and read the reflections on this experiment, read the SILP Experimentation Fund Final Learnings Report.

### The power of learning in systems innovation

Climate change poses the greatest set of challenges to humanity that the world has ever known, and as a result, demands new ways of living, thinking and innovating. We believe that learning is integral to the way we approach these challenges. EIT Climate-KIC is part of the EIT Higher Education Institution (HEI) Initiative, aimed at creating systemic impact on higher learning by strengthening entrepreneurial and innovation capacities of HEIs so that they become engines of innovation for a green, digital and inclusive society.



Since its inception, the EIT HEI Initiative has launched 3 calls for proposals to select consortia of HEIs and non-HEIs to develop their innovation and entrepreneurial capabilities. They have been not only training students, but also academic and non-academic staff and have supported and created startups and launched innovation to the market. EIT Climate-KIC has supported 9 projects with 90 partners from over 30 countries. EIT Climate-KIC also leads the initiative's monitoring and evaluation workstream and implements Signs of Change and Most Significant Change Stories methodologies to both capture the change and to provoke conversations within the consortia.

A flagship of our participation in the EIT HEI Initiative is our convening of regular Sensemaking Sessions. They provide the projects with a moment to stop, think, reflect and share, contributing to build a Community of Practice in Higher Education.

In October 2023, EIT Climate-KIC held a Sensemaking Session for the second

cohort of the EIT HEI Initiative. The process of sensemaking facilitated participants to move beyond the silos their work and learn from experiences across the initiative and explore synergies. It creates a space for forward thinking and the exploration of collaboration and knowledge exchange.

Sensemaking is a continuous reflection and exploration of the information and experiences available (WHAT), making sense of this information and experience (SO WHAT) and exploring how the new insights could serve future actions and collaboration (NOW WHAT).

Over the course of the workshop the following topics were woven into the process:

**LEARN**: Develop common understanding of HEI partners and projects across the portfolio, the journey so far, outcomes and lessons learned from different projects.

**INTEGRATE**: Identify potential synergies and points of collaboration between partners thematically and regionally - to support and amplify HEI's work in 2024 **CONNECT**: Cultivate and strengthen relationships, human to human, within and across teams involved in delivering the HEI initiative.

**ACT**: Define and assign feasible next actions to move the HEI Initiative ahead based on what was learned during the workshop.

The workshop was a success in facilitating participants to learn and connect, as they discovered commonalities and synergies across various projects. And yet, we acknowledge a greater need for continued silo breaking within university systems, particularly in understanding the diverse needs of stakeholders like students and management.

The participants appreciated the networking and collaboration opportunity, dissemination of good practices, and the opportunity to collect ideas and suggestions relevant for their projects. These are enabling factors for integrating and identifying synergies between partners and to further acting by assigning feasible next actions to move the HEI Initiative ahead.

Moving forward, the focus is to empower individuals to take ownership and act on the discussions – fostering agency. It is imperative to address power dynamics, and the roles of diverse stakeholders within the initiative. A deeper understanding of these elements is essential for enabling participants to confidently integrate their individual actions with the larger goals of the initiative.

## WHAT IMPACT WILL TODAY HAVE TOMORROW?

"This working together solving similar issues and wanting to solve it together is going to have a [lasting] impact."

*Participant in the Oct 2023 Sensemaking Workshop.* 

To see testimonials of participants, watch a video on the 2023 Sensemaking Session.

# Strengthening the climate landscape in Latin America and the Caribbean: The entrepreneurship support organisations leading the charge

Climate change remains a global challenge, yet the solutions lie within local contexts. EIT Climate-KIC launched 'Developing Capacity of Innovation Ecosystems Actors to Accelerate Climate Technology Solutions in LAC' programme, together with the IDB Lab to support the renewable energy transition, ecosystem preservation, and climate innovation projects essential moves in a region that has received only six per cent of global climate financing in recent years.



Latin America and the Caribbean (LAC) contribute less than ten per cent to total global greenhouse gas emissions, but the impact in this region is particularly acute. Extreme weather and rising temperatures threaten their agriculture-dependent economies. Together with IDB Lab, a vital player for innovation development in Latin America, EIT Climate-KIC is running a programme to develop the capacity of innovation ecosystems in LAC. Their efforts are further strengthened by the support of the Clean Technology Fund, which supports clean energy transformation in developing economies. Running from June 2023 to May 2025, this initiative is set to lead and transform the climate innovation landscape across the LAC region, with a focus on countries like Bolivia, Brazil, Chile, Colombia, Ecuador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico and Peru. The primary goal is to amplify the capabilities of incubators, accelerators, and other ecosystem enablers in the region, equipping them to support climate-focused start-ups efficiently.

In 2023, the programme launched with an open call targeting Entrepreneurship Support Organisations (ESOs), including innovation agencies, incubators, accelerators, ecosystem builders, venture capital investors, coworking spaces, and hubs. The call attracted 115 applications across 16 countries, underscoring the region's talent, enthusiasm, and pressing need for sustainable solutions.

The selection process was comprehensive, assessing various factors such as entrepreneurial support experience, innovation ecosystem positioning, and the aspiration to co-create a ClimAccelerator. Given the outstanding quality of applications, the cohort was expanded from the initial 25 to 28 ESOs, representing 11 countries.

In November 2023, the cohort began a fourmonth training programme, with customised development programme with workshops and mentoring, aimed at co-creating proposals to accelerate climate tech innovations regionally. The training leverages an open-sourced suite of tools for running their own ClimAccelerator, encompassing management resources, content, and a coaching network. A climate impact framework guided start-ups to align their environmental and financial goals, and they will join a global network of over 400 organisations dedicated to a net-zero transition.

Following this capacity-building phase, in 2024 the programme will shift gears to its next critical step: fostering climate innovations within the region. By mid-2024, the top three to five ESOs with the most promising results in the programme will be selected and mentored to accelerate 100 climate tech start-ups over 12 months.

# EIT Climate-KIC and IKEA Foundation partner to accelerate circular solutions in Nairobi and Bengaluru

In September 2023, EIT Climate-KIC and IKEA Foundation announced a strategic partnership to address the pressing challenges of waste management and urban sustainability in the rapidly growing cities of Nairobi, Kenya and Bengaluru, India.

Urbanisation and overconsumption trends in major cities have placed enormous strain on waste management systems, resulting in a surge in waste accumulation and only a fraction of waste being recycled or transformed into beneficial forms.

As a consortium, EIT Climate-KIC together with local partners SecondMuse and GrowthAfrica, will work closely together to dismantle systemic barriers to circular waste management solutions and advance circular economies for the benefit of marginalised local communities through these circular economy innovation clusters.

According to the World Bank (2020), only 45 per cent of waste in Nairobi is recycled, reused, or transformed into forms with economic or ecological benefits—far below the 80 per cent target set by the National Environment Management Authority. The situation is not much different in Bengaluru where 5,000 metric tonnes of waste is generated daily at an average rate of 0.5 kg per capita.

## Self-sustaining innovation ecosystems that benefit marginalised communities

In this partnership, EIT Climate-KIC's is using its "Innovation Cluster" approach to foster collaboration and drive the development of innovative solutions and entrepreneurship.



Innovation Clusters serve as collaborative platforms that unite diverse stakeholders, including businesses, universities, citizens, investors, governmental agencies and NGOs.

EIT Climate-KIC CEO Kirsten Dunlop said: "Innovation Clusters are about building capability, learning and trust, exploring how to meet the needs of local communities, governments, and organisations through innovation that is meaningful in local contexts. Through a shared commitment and collaboration, we are not just innovating; we are actively shaping more sustainable, resilient, and prosperous communities, nurturing entrepreneurship to spark new solutions, drive equitable economic growth and create meaningful job opportunities."

The project works with a variety of stakeholders to create an environment that accelerates waste management solutions through circular economies.

Patrick Obonyo, Programme Manager at IKEA Foundation said: *"Far too little waste is recycled, reused or transformed into beneficial forms. The IKEA Foundation believes in the*  power of innovation to drive positive change. We're excited to see how this partnership can promote waste management solutions and develop healthy circular economies that are good for people and the planet."

The project puts emphasis on the role of the informal sector and marginalised groups, by supporting access to essential services and job opportunities. It is set to unfold in three phases over a three-year period until June 2025.

In its first phase, a baseline study was performed to align key stakeholders taking part in the project's implementation.

In a second stage, planned for 2024, the project will build capacities for entrepreneurship and circular economy among entrepreneurship support organisations, representatives and entrepreneurs. There will be early- and latestage ideation and entrepreneurship activities to accelerate the best waste prevention solutions and ensure they are aligned to the needs of the demand.

Lastly, the project will enable stakeholders, local government and businesses, and investors to connect with the lessons of innovators, integrate them in the iterative development of the cluster and identify opportunities for scaling up innovations [regulatory, procurement, others] and thereby set the basis for a permanent cluster around circular economy.

By facilitating collaboration and innovation, EIT Climate-KIC and the IKEA Foundation are committed to making a significant impact on waste management and prevention and sustainability in these dynamic cities. "Far too little waste is recycled, reused or transformed into beneficial forms. The IKEA Foundation believes in the power of innovation to drive positive change. We're excited to see how this partnership can promote waste management solutions and develop healthy circular economies that are good for people and the planet."

Patrick Obonyo, Programme Manager at IKEA Foundation

### EIT Climate-KIC launches new Adaptation Innovation Cluster in Tanzania

Together with Irish Aid, in August 2023 EIT Climate-KIC launched the new Adaptation Innovation Cluster in Tanzania at the Climate Innovation Networking Event in Dar es Salaam. The innovation cluster aims to accelerate the country's capacities to adapt to climate change by supporting locally developed solutions.

Tanzania is experiencing significant changes in climate, including rising temperatures, shifting rainfall patterns, prolonged drought and increased frequency of extreme weather events.

At the same time, there is a vibrant local ecosystem where innovative solutions are being developed to address these challenges.

There is an immense potential for improving the environment for these solutions to emerge, grow and thrive by solving these challenges through enhanced collaboration and synergies between various stakeholders.

To accelerate Tanzania's efforts, EIT Climate-KIC and Irish Aid launched the climate Adaptation Innovation Cluster in Dar es Salaam. The programme uses the EIT Climate-KIC "innovation cluster approach", which builds local innovation ecosystems. The aim is to promote green innovation by stimulating the growth of new green start-ups, employment and investment as well as supporting rural communities to develop adaptation strategies to build resilience. The cluster will:

• Build the adaptation innovation cluster ecosystem by organising workshops and



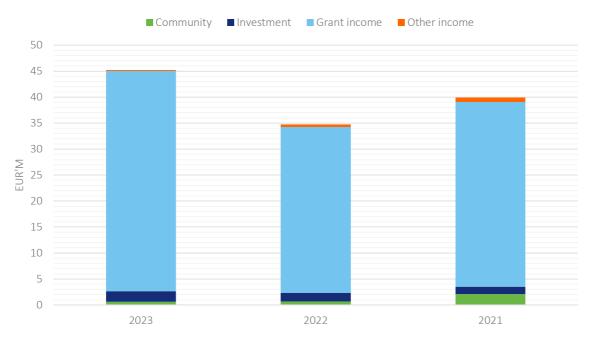
events that provide opportunities for people to gather and learn from each other. These sessions are designed to facilitate networking and collaboration, creating an environment where new ideas can flourish.

- Empower locally-led climate innovations, building locally embedded ecosystems that promote entrepreneurial activities and offer capacity-building support. This collaborative framework fosters the development of innovative solutions and serves as a hub for collaboration, ideation, and incubation of adaptation business models.
- Invest in the next generation, empowering and amplifying the voices of young leaders who are uniquely positioned to drive impactful and innovative initiatives addressing the pressing climate challenges facing the nation.

The first activities of the programme were to launch open calls for youth engagement, as well as for organisations to participate in creating a ClimAccelerator programme and Climathon in Tanzania.

# Our Financial Performance

EIT Climate-KIC continued to grow a diversified revenue base for the organisation and its Community as part of a substantial push to achieve financial sustainability beyond the completion of the EIT mandate in 2024. In 2023 our **total funding rose to over EUR €45.2 million (audited), of which grant income was EUR €42.3 million**. Grant income includes EIT (core grant and EIT Community funding) other EU funding, private funds, and national and regional government funding. The value of investments from Climate-KIC's Services for Equity Agreements was assessed at EUR €2 million (audited).

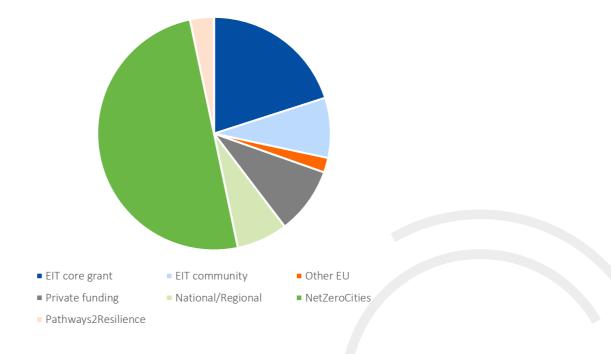


### Income by type



### Grant income by funder

### 2023 Grant Income by funder



# Funders 2023

Amazon EU SARL Arup Bank of America CINEA (Horizon 2020, Horizon Europe) Climate Finance Fund CSFEP Department of Food, Agriculture and the Marine, Government of Ireland Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) EIC (Horizon 2020) EISMEA (Horizon Europe) EIT (Horizon Europe) ETC CA (Horizon 2020) FedEx Cares Form Design Centre Fundación Biodiversidad Gipuzkoa Provincial Council HADEA (Horizon 2020, Horizon Europe) Hellenic Republic Asset Development Fund REA (Horizon 2020) RIA (Horizon Europe) **IKEA** Foundation INRAE (Horizon Europe) Inter-American Development Bank (IDB) Irish Aid Laudes Foundation Ministry of Environment, Climate and Energy, Government of Slovenia Munich Re/Ergo Province of Noord Holland Rainforest Alliance Salesforce Foundation The Rockwool Foundation The Swedish International Development Cooperation Agency (Sida)



# Our Governance

EIT Climate-KIC is a public-private partnership comprising the Association Climate-KIC, the Climate-KIC International Foundation and the Climate-KIC Holding B.V. and. In 2023, Association Climate-KIC held 10 per cent of shares in the Holding, while the Climate-KIC International Foundation held 90 percent.

### **Association Climate-KIC Governing Board in 2023**

The Association Climate-KIC Governing Board represents Climate-KIC Community Drive members and the Climate-KIC Community as a whole. It provides intellectual leadership and investigates critical challenges in the areas of climate change mitigation and adaptation. It informs the multiannual strategy and aspects of strategic relevance to the Association. The Governing Board elects a Chair and a Vice-Chair.

Fabio Maria Montagnino, Chair Brigitte Hasewend, ESEIA Diana Ürge-Vorsat, IPCC Francesca Rizzo, Politecnico di Milano Jonas Kamleh, City of Malmö Kai Palludan-Müller, cirka cph Quentin Crowley, Centre for Environment, Trinity College Dublin Laia Romero Gonzalez, Lobelia Earth Suzanne Reynders, INRAE Valentin Alfaya, Grupo Ferrovial

### **Climate-KIC International Foundation Board in 2023**

The Climate-KIC International Foundation's Board leads and manages EIT Climate-KIC on its path to achieving its mission and objectives. The Foundation's Board monitors the policies pursued and the general course of affairs in the Foundation. It further provides advice, ensuring that the Foundation's objectives are always considered in day-to-day management and policy setting.

John Schellnhuber, Chair, PIK Rutger de Witt Wijnen, Vice-Chair, CGIAR Anaar Kara, CGAP Sheela Patel, Society for the Promotion of Area Resource Centers (SPARC) Marc Oppenheim, Credit Agricole Immobilier Wiebke Schloemer, IFC

### **Climate-KIC International Foundation Executive Director in 2023**

Anders Wijkman, Executive Director

### **Climate-KIC Holding Supervisory Board in 2023**

The Supervisory Board has responsibility for the supervision of Climate-KIC Holding B.V.'s Executive Board and the company's general affairs. In 2023, it supervised the Holding's managing statutory directors' performance and considered matters such as the multiannual strategy, the annual business plan, accounts, legal and portfolio strategy for partners and strategic alliances.

Barna Baráth, Chair, REAL School
Thomas Goergen, Covestro Deutschland AG
Sarah Hendel-Blackford, Independent
Valentin Alfaya Arias, Grupo Ferrovial (nominee from Association Climate-KIC)
Jonas Kamleh, City of Malmö (nominee from Association Climate-KIC)

### Climate-KIC Holding B.V. Management Board (Executive Directors) 2023

Kirsten Dunlop, Chief Executive Officer
Andrew Kerr, Chief Strategy Officer
Michelle Spratt, interim Chief Financial Officer (September 2022 – June 2023)
Dani Marunovich, Chief Financial Officer (from June 2023)
Natasha Houseman, interim Chief Operations Officer (January 2023 – November 2023)
Briana van Strijp, Chief Operations Officer (from November 2023)

# Community Members 2023

2° Investing Initiative 2811 Social Enterprise UG 4CF AALTO Aarhus Kommune Aarhus Universitet Acario Innovation LLC Aerospace Valley AESS AIT Austrian Institute of Technology GmbH AMIGO S.R.L. Amped Concepts B.V. ART- ER S. Cons. Arx-IT Consulting SA Asociación de investigación de la industria del juguete, conexas y afines Asociación Valenciana de Empresas del Sector de la Energía Assotsiatsia Za Ravitie Na Sofia ATHENA Research & Innovation Innovation Technologies Ayuntamiento de Madrid Ayuntamiento de Valencia Ayuntamiento de Valladolid Ayuntamiento de Zaragoza Bankers without Boundaries Bogatin D.O.O Brainbows Informations Management GMBH Brandenburg University of Technology Cottbus-Senftenberg **Building Global Innovators** Camera de Comert, Industrie si Agricultura Timis CFR Partnerstvo ChillServices GmbH ChrYessalis Leap Limited Circka cph Civitta Slovakia Cleantech Bulgaria Ltd. Climate Media Factory UG (haftungsbeschrankt) **Climate Strategies** Cool Farm Alliance CommunitYes Interest CompanYes Crea Madrid Nuevo Norte SA CYesprus EnergYes AgencYes Dark Matter Laboratories B.V. DataconomYes Media GmbH De Groene Grachten B.V. **EAT** Foundation Ecole PolYestechnique **Ecometro Mediciones** Edgeryders OÜ EDINN Global S.L. Eidgenössische Technische Hochschule Zürich

Empresa Municipal de Iniciativas y Actividades Empresariales de Málaga S.A. ENGIE S.A. **ERION** Compliance Organisation Euskampus Fundazioa Exceedence Ltd E-zavod, Zavod za celovite razvojne resitve Fagro Sociedad Cooperativa Ferrovial Corporación, S.A. Fonds Mondial pour le développement des villes Fundación de la Comunidad Valenciana para la Promoción Estratégica, el Desarrollo y la Innovación Fundación Delegación Fundación Finnova Fundación de Investigación del Clima Fundacja Warszawski Instytut Studiow Ekonomicznych Fundatia Oeconomica Timisiensis Gecosistema Genillard & Co. GmbH Gmina Miejska Krakow Goteborgs Stad Green Aureus GmbH GRÜNSTATTRAU Forschungs- & Innovations GmbH Hemp the Climate z.s. Hub Innovation, s.r.o Hub Innovazione Trentino - Fondazione I4CE Institute for Climate Economics Impact Hub Vienna GmbH Imperial College of Science, Technology & Medicine Influence Map CIC Innovation Start Instituto Tecnológico de la Energía Instituto Valenciano de Competitividad Empresarial Instytut Nauk Geologicnych Polskiej Akademii Irish Manufacturing Research CLG ITECON Ingenería y Construccion SL KLIK, energetska zadruga Koninklijke Luchtvaart Maatschappij N.V. La Palma Research Centre for Future Studies SL Landlele S.R.L Leuven Klimaatneutraal 2030 LightFi Limited l'Institut national de recherche pour l'agriculture, l'alimentation et l'environnement Lobelia Earth Lucidminds BV Lunds universitet Luvent Consulting GmbH MAGFI ltd Magneto B.V. Malmo Stad Material Economics Sverige AB

MCM Institute Poland Metabolic BV. Meteorological Environmental Earth Observation Nauno tehnoloki Ne Nomisma Energia Norges teknisk-naturvitenskapelige universitet Novamont Open Foret Palermo Urban Solutions Hub **PANNON Pro Innovation** Plate-forme Technologique Européenne pour le Future du Textile Pocacito Privredna komora Srbije Project X Global Limited REDO Società di Gestione del Risparmio S.p.A. -Società Benefit Regional Education and Information Centre for Sustainable Development in South-East Europe Regionalna energetska agencija sjeverozapadne Hrvatske Res Sociedad Cooperativa Rigas Tehniska universitate **RISE Research Institutes of Sweden AB Ropot Boutique SRL** Saultekio slnio mokslo ir technologij Instytut Technologii Eksploatacji Slovene Dutch Business Platform **SNIFFER** Social GoB South Pole Carbon Asset Management Ltd. Stichting Circle Economy Stichting Rooftop Revolution Stichting Technotrend Stichting VU (Vrije Universiteit) Stichting Wageningen Research Stiftung Global Infrastructure Basel

Stowarzysenie EKO-BIEGLY Stowarzyszenie Centrum Rozwiazan Systemowych Sveuciliste U Zagrebu Swarmcheck sp z.o.o. Systems Change Finland - Systeeminen muutos Suomi ry T-Box Delivery & Solutions S.L. Technische Universität München Technische Universiteit Delft Technological University Dublin **TECNALIA Research & Innovation** TEP EnergYes GmbH The Cyprus Institute The Democratic Society AISBL The Provost, College of the Holy and Undivided Trinity of Queen Elizabeth The University of Central Lancashire Trondheim Kommune TUM International GmbH Turun Yliopisto Uclan Cyprus Ltd Universal Owner Ltd Universidad Politecnica de Madrid Universitá Politecnica delle Marche Universität Hamburg Universitat Politècnica de València Université de Bretagne Occidentale. Universite de Technologie de Troyes Uniwersytet Warszawski Vlaamse Instelling voor Technologisch Onderzoek VouchForMe Holding B.V. Wuppertal Institut für Klima, Umwelt, Energie Zaragoza Zdruzhenie na gragjani SMART AP Zubi Cities S.L. ZUM urbanizem, planiranje, projektiranje d.o.o. ΙΔΡΥΜΑ ΤΕΧΝΟΛΟΓΙΑΣ ΚΑΙ ΕΡΕΥΝΑΣ

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