

ARTICLE ON EIT/KIC INNOENERGY

What is the EIT?

The **European Institute of Innovation and Technology (EIT)** is an independent body of the EU, set up in 2009, to address the EU's innovation paradox: *Europe has a lot of top-notch publicly funded research, while the translation of knowledge into innovation that can be marketed and be commercially successful **creating growth and jobs** is seriously lagging behind.* The **uniqueness of the EIT** is to bridge that gap, and also the method to fulfil that goal: the **knowledge triangle integration**.

The EIT is hosted today in DG EAC, and its budget is 2700M€ for the period 2014-2020.

What is a KIC?

A KIC (**Knowledge Innovation Community**) is a **long term** (minimum 15 years) public private partnership, that fully integrates the so-called 'knowledge triangle' of business, education and research. The Commission approved in 2009 plan is to launch, sequentially, one KIC per societal challenge identified. So far there are five KICs running: for Energy, ICT and Climate since 2010; Raw Materials and Health since January 2015; and three more to come in the future for Food, Advanced Manufacturing and Urban Mobility.

The KICs are awarded under public competition. The **financial model of a given KIC is that 1€ of public EIT support leverages at least 3€ of private investment**; and that in the **medium term a KIC should be financially autonomous**, and thus independent from EIT/EU funds.

As we can see a KIC is in the goals (growth jobs, competitiveness) and financial model (leverage private investment in a ratio 1:3) is **totally aligned with Juncker's Commission strategy**.

What is KIC InnoEnergy?

KIC InnoEnergy was the winner in 2010 of all the proposals for becoming the selected KIC in sustainable energy.

Strategy, mission, vision and objectives

Our **vision** is "*To become the leading engine in innovation and entrepreneurship in sustainable energy*".

Our **mission** is "*to build a sustainable long-lasting operational framework amongst the three actors of the knowledge triangle in the sustainable energy sector: industry, research and higher education. And ensure that the integration of the three is more efficient and has higher impact in job creation, growth and competitiveness of the European energy system than the three standing alone*".

The three **strategic objectives** of any activity **we invest in** are:

- Reduce the cost of energy (c€/kwh)
- Increase security (autonomy of supply, intrinsic operability of energy assets)
- Reduce greenhouse gas emissions (GHG/kwh)

What do we do?

We operate three business lines:

- *Education programmes* (Specialized Master School, PhD School and Executive programs), which **create the future game changers** (Masters, PhDs, mid-term professionals) in sustainable energy;
- *Innovation Projects*, which focus **on producing incremental - and a few disruptive - technological innovations** that contribute to the above mentioned energy strategic objectives
- *Business Creation services*, where we create **innovative high potential start-ups, and grow them**

All our activities focus on *eight thematic fields* that evolve with the energy market changes, and that are fully aligned with the **current SET Plan (European Strategic Energy Technology Plan)**, where we have been heavily contributing:

- Clean Coal & alternative fuels Technologies
- Smart Grids
- Smart Cities and Efficient Buildings
- Energy from Chemical Fuels
- Convergence Nuclear-Renewables
- Energy Efficiency
- Storage
- Renewables

Our shareholding structure, partnership and footprint

KIC InnoEnergy is a **company** (SE: Societas Europaeas), **for profit and not for dividend (all profits are reinvested)**, with **27 European shareholders** from the three dimensions of the **knowledge triangle**: Industry, Research and Higher Education. Those shareholders have signed for a 7+7 years company plan; and intend to be financial independent from EIT/EU in the medium term (202x)

Since 2010 **more than 180 additional partners** –mainly SMEs- **have joined our activities**, and now we have activities in 17 of the EU Member States (outreach).

Shareholding structure



Partnership as of 2014

	Shareholders	Associated & Project	Total
	Formal Partners	Partners	
Industry	9	159	168
Research Centers	7	8	15
University	10	17	27
Business School	2	0	2
TOTAL	28	184	212

With its headquarters in the Netherlands, KIC InnoEnergy develops its activities across a network of offices located in Belgium, France, Germany, the Netherlands, Spain, Portugal, Poland and Sweden.

After those 5 years in business KIC InnoEnergy has been able to create **“a small energy european system”** where you find players from all the value chain, all the supply chain, from all the energy carriers, from 11 different market regulations, with challengers and incumbents, and all together managing 120 Million end customers.

KIC InnoEnergy achievements since 2010:

Last 4 years **have proven the concept**: the knowledge triangle integration delivers higher throughput than other existing innovation mechanisms, and create **growth, jobs and increase competitiveness** of our energy industry. In the period the EIT has invested 160M€ and partners 650M€ additional, so a ratio above 1:4.

	Achievements	Benchmark
<p>Game Changers</p>  <p>The future CXOs, top researchers of the future</p>	<p>More than 8000 applicants</p> <p>771 students follow or have followed our specialized Master programs and PhD School</p> <p>280 have graduated and are populating today the European energy companies, equipped with a special competences and skills that will make them more competitive</p>	<p>96% have found a job 6 months after graduating</p> <p>Our graduates earn 15% more than their peers from traditional courses</p> <p>When competing in international contests (i.e. HULT Global Challenge) our students came n°2 worldwide.</p> 
<p>The Googles of Energy</p> 	<p>More than 1000 business ideas screened</p> <p>127 ventures nurtured</p> <p>43 new start-ups, all post revenue, created</p> <p>One start-up has crossed the 1M€ revenue</p>	<p>Those start-ups have raised 16,6M€ from external investors</p> <p>European top VC Community has a preferential agreement with KIC InnoEnergy, with 850M€ of available liquidity.</p> 
<p>Innovative products and services</p>  <p>adopted by industry</p>	<p>60 innovative or disruptive technology products or services have been produced and adopted by industry</p>  <p>3 new manufacturing sites have been built to produce KIC products</p>	<p>59 patents have been filled, at a ratio of 1 patent every 2M€, whereas in EU FP7 programs, the throughput was 1 patent every 67 M€ of investment.</p> <p>In KIC InnoEnergy 160 new industries (mainly SMEs) has co-invested 600M€ of their own-resources</p>

Our synergies and complementarities with other EU instruments:

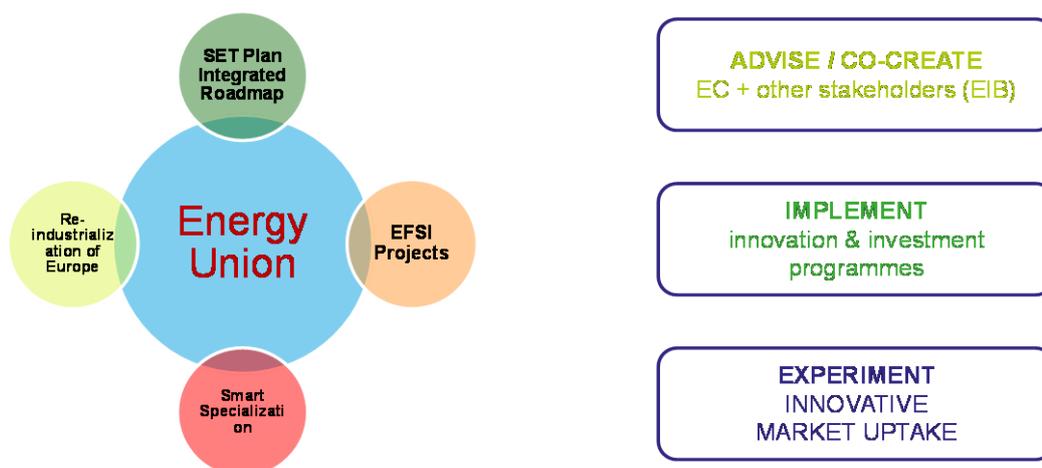
KIC InnoEnergy is actively cooperating with **DG ENER** (i.e. Insight-E contract, SET Plan), **DG Regio** (i.e. RIS-S3 implementation), **DG R&D** (i.e. ETP Smart Grids, JU H2, EERA), **DG Industry** (i.e. IP Valorization), **DG EAC** (i.e. Pathways contract), **JRC** (i.e. member of Energy advisory board)

The future:

Energy is a much regulated business, so the influence of policy makers is to be taken into account. The new EU Commission has very ambitious plans as far as the Energy Union is concerned. The policy paper (the Energy Union) published and adopted by the Member States draws very clear lines into the future, and is leveraging other EU instruments that will be very important for KIC InnoEnergy (and for all the energy players in Europe) until 2020. Those are:

- The SET Plan Integrated Roadmap
- The EFSI (Junker) Plan
- The Smart Specialization policy for the Regions
- The re-industrialization goals (from 15% to 20% contribution of industry to European GDP)

The role that KIC InnoEnergy wants to play in this framework is to advise and co-create those plans; be an implementation arm; and be the preferred partner for experimenting innovative market uptakes.



All the players in the European Energy System we have a unique opportunity to shape a better future for Europe, more competitive and with more jobs. KIC InnoEnergy wants to continue contributing to those structuring goals.