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CALL FOR INNOVATION PROPOSALS 2016-2

KIC InnoEnergy Innovation Projects

Doc.: CIP16-2 GEN

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Rev.: 1.2

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REVISION	DESCRIPTION	DATE
1.0	Version for approval by EB	30/5/2016
1.1	Added Accession Form to document list	31/5/2016
1.2	Final version	01/06/2016

Changes from Last Version

- Modified KIC SE address
- Adapted timeline for CIP2016-2
- Updated document list according to new FPA
- Updated definition of milestones and gates in the Glossary
- Clarified submission process in section 4.4

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1. INTRODUCTION

KIC InnoEnergy strategy in Innovation projects is very influenced by several factors:

- The current SET Plan, with a big focus in technologies, lays down binding targets to be achieved until 2020, including a reduction of greenhouse gas emissions by 20% and ensuring 20% of renewable energy sources in the EU energy mix.
- The SET plan (now called the SET Plan integrated roadmap), valid for 2014-2020. It sets the directions that will allow Europe to reach the new very ambitious goals for 2050: reduction of 95% of emissions in the power sector, reduction of dependency from foreign energy suppliers by 55%, increase renewable share of production to 40% -all against 1990 baseline-, capture 2.4 trillion € of European investments in generating capacity from 2010 to 2050.
- The conviction that the European energy system needs to be approached as a whole in order to achieve a system change towards sustainability, and that it is the **continuous friction between market demand and technology push** that will make systemic innovation appear and be more efficient.

These factors lay down the framework for the KIC InnoEnergy call for innovation, which is based on two pillars:

1. The requirements, terms and conditions of the call for innovation
2. The thematic field roadmaps

The present document contains the basic information needed to understand the requirements, terms and conditions of the KIC InnoEnergy call for innovation proposals 2016-2.

More information about the call for innovation and the KIC InnoEnergy thematic field roadmaps can be found at <http://cip.kic-innoenergy.com/>

2. WHAT IS A KIC INNOENERGY INNOVATION PROJECT?

KIC InnoEnergy understands innovation projects as the *transformation of available knowledge into new **marketable products and services** related to the field of sustainable energy that create positive impact on market and society*, by:

- 1- Decreasing energy cost,
- 2- Increasing security vis-à-vis resources holders,
- 3- Increasing intrinsic operational safety or reliability, and/or
- 4- Reducing Green House Gas emissions

Such projects should normally present:

- a time to market shorter than 5 years from the beginning of the project,
- a maximum project duration of 3 years
- a Technology Readiness Level (TRL) > 4, meaning that the majority of the functionality of the system and/or its components has already been proven at least at laboratory level (proof of concept).

3. FUNDING OF KIC INNOENERGY INNOVATION PROJECTS

3.1. General Conditions for KIC InnoEnergy Investment

The sources for investing in innovation projects come from the EIT and from KIC own resources. Therefore they are subject to particular conditions established at:

- Framework Partnership Agreement signed between EIT and KIC InnoEnergy.¹
- Grant Agreements to be signed on yearly basis between EIT and KIC InnoEnergy¹.

KIC InnoEnergy will only fund eligible costs related to KIC Added Value Activities according to the scheme depicted in Fig. 1. Non-EIT funding contributed by partners **exceeding** 75% of the overall project budget is required.

KIC InnoEnergy expects from the project partners to have a financial return conditioned to successful implementation of the product in the market. This will be executed in a Return on Investment contract with KIC.

KIC InnoEnergy Finance Working Group, with a representative at each Colocation Center will support the proposal partners in identifying and building the right sourcing to the project during the proposal phase.

Beneficiaries of the funding need to become eligible partners according to the EIT rules. In order to become EIT eligible, new partners need to sign the Internal Agreement, Accession Form, Legal entity & Bank entity forms, and fill in the Partner Master Data (see Annexes 8, 9, 12 and 14).

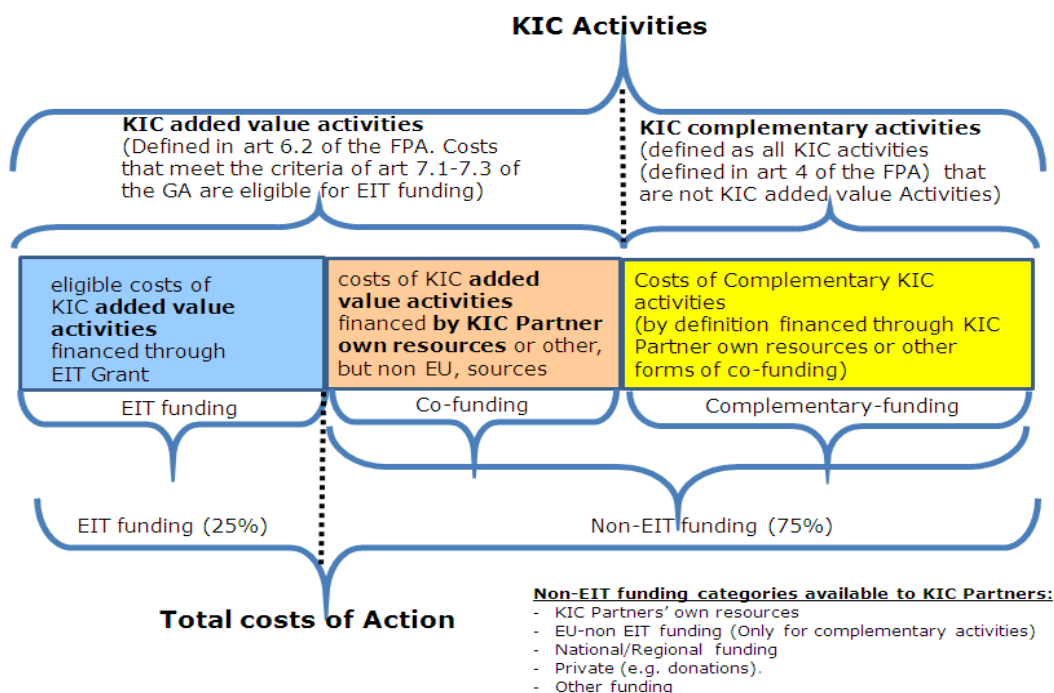


Fig. 1.- Nature of KIC activities and associated funding

¹ Available upon request



3.2. Budget Allocation

Each Innovation project starts with a so called Work Package 0 (WP0). This is a feasibility study dedicated to the analysis and development of the business opportunity. Such analysis will have to be defended in front of a thematic field assessment committee which, at a formal gate review, will determine if the project can continue or not receiving KIC InnoEnergy funding. Those projects not succeeding at the gate review will be cancelled. The KIC InnoEnergy **funding allocation for the WP0 is limited to a maximum of 50 KEURO**. If there is a need for a higher funding this should be explained specifically.

Once successful at the gate review, the funding of KIC InnoEnergy projects will be decided on a half-yearly basis, subject to two conditions:

1. **Performance according to plan.** Project performance will be assessed by KIC InnoEnergy thematic field assessment committee at regular mid-year or year-end project reviews, or at gate reviews established upon attainment of milestones previously identified and agreed for each project. Favorable assessments can lead to budget increases, whereas non-favorable assessments can lead to budget decreases, including the total cancellation of the project.
2. **Availability of KIC InnoEnergy resources for year Y.** Every year in September Y-1, KIC InnoEnergy has to submit to the EIT the Business Plan proposal for year Y. After assessment of the overall KIC InnoEnergy Business Plan proposal and upon consideration of available financial resources, in December Y-1 the EIT will communicate to KIC InnoEnergy the amount granted for year Y. On the basis of such EIT resources and KIC InnoEnergy own resources, KIC InnoEnergy will allocate the available funds to the different activities.

4. SUBMISSION OF INNOVATION PROPOSALS

4.1. Thematics of the Call for Innovation Proposals

The proposal should be aligned with one of the topics described in the annexed thematic roadmaps (see website <http://cip.kic-innoenergy.com> under the tab "Thematic Fields")

4.2. Who Can Apply?

The proposal can be submitted **by public and/or private consortia** which have a project for an innovative sustainable energy product or service.

Participation in consortia is open to any organization fulfilling the EIT eligibility rules. If no KIC IE formal or associate partner is involved in the consortium, the commercializing party shall become KIC IE associate partner.

For more information about the rights and obligations of different types of KIC InnoEnergy partnership, please refer to Annex 2 - Rights & Obligations.



4.3. Required Criteria

4.3.1. Admissibility Criteria

Proposals **will not be examined** at Thematic Field level, if the following admissibility criteria are not fulfilled:

- The proposal has been **submitted before the announced deadline**. No additional information will be taken into account after the deadline.
- **All the sections** in the project proposal (see Annex 3) have been **completed**: development plan, schedule, budget, etc.
- The proposal has been duly signed by a representative of each partner.

4.3.2. Eligibility Criteria

If one of the following criteria is not fulfilled, the proposal will be rejected at the Thematic Field level assessment phase.

Criterion	Title	Weight	Ref. in proposal
E1	The goal of the project is to develop products or services to be sold on the market.	N/A	Sect. 2
E2	At least one company commercializing the products or services developed in the project must be involved in the project from the beginning . Any type of company ranging from newly created start-ups (created before the start of the project) to large companies is acceptable. In case the commercial vehicle is a newly created venture, this will have to apply for the KIC InnoEnergy Highway™ program ² .	N/A	Sect. 3, 4
E3	At least partners from 2 different European countries must have a substantial role in the project.	N/A	Sect. 1
E4	The number of partners is minimum 3 and maximum 7	N/A	Sect. 1
E5	Topic falls within one of the KIC InnoEnergy thematic fields	N/A	Sect. 3
E6	Proposal has maximum 24 pages (fonts from template)	N/A	N/A

² Written commitment from partners is required at proposal phase.

4.3.3. Assessment Criteria

Criterion	Title	Weight	Ref. in proposal
A1	BUSINESS DEVELOPMENT	6	
A1.1	Preliminary product or service definition (problem statement, solution benchmark, ...)	1	Sect. 7.1.1, 7.4.1
A1.2	Feasibility of proposed technology solution for product or service:	1	Sect. 7.4.2
A1.3	Innovativeness of proposed solution	1	Sect. 7.2.4, 7.4.1, 7.4.2
A1.4	Business opportunity assessment (market analysis, competitive analysis, value proposition for commercialization party and customers, ...)	2	Sect. 7.1.2, 7.2.1, 7.2.2, 7.2.3, 7.3.1, 7.6.3
A1.5	Soundness of IP	1	Sect. 7.5.1, 7.5.2.
A2	RISK ANALYSIS	4	
A2.1	Availability of required knowledge in the consortium	2	Sect. 4.1, 4.2
A2.2	Technical barriers identified and mitigation plan	2	Sect. 9
A3	FINANCIAL VIABILITY	3	
A3.1	Project budget vs. market potential and scope of the project	1	Sect. 7.2.4, 7.6.1, 10
A3.2	Justification of requested KIC investment	1	Sect. 7.6.2
A3.3	Assessment of plan for KIC investment return	1	Sect. 7.6.3
A4	OPERATIONAL VIABILITY	4	
A4.1	Soundness of project plan (milestones, deliverables, availability of resources, etc.)	2	Sect. 5
A4.2	Soundness of consortium vs. value chain	1	Sect. 4
A4.3	Quality of project management	1	Sect. 11
A5	COMPLIANCE WITH KIC REQUIREMENTS	4	
A5.1	Integration of students, academics, education organisations ³	1	Sect. 8
A5.3	Compliance with KIC InnoEnergy roadmap ⁴	2	Sect. 3
A5.4	Participation of SMEs	1	Sect. 1, 4

³ As a reference:

- 5 points: If the proposal includes strong links to KIC InnoEnergy educational activities
- 3 points: If the proposal is linked only to other (non KIC) educational activities

⁴ As a reference:

- 5 points: If the topic falls within the retained topics in roadmap v1
- 2 points: if the topic falls within the list of rejected topics in roadmap v1
- 0 points: otherwise



Each assessment criterion will be ranked from 0 to 5:

- 0 Not filled or cannot be judged because out of range**
- 1 Very poor:** The criterion is addressed in a cursory and unsatisfactory manner
- 2 Poor:** There are serious inherent weaknesses in relation to the criterion in question
- 3 Fair:** While the proposal address the criterion, there are significant weaknesses that would need corrections
- 4 Good:** The proposal addresses the criterion well although some improvements are possible
- 5 Excellent:** The proposal successfully addresses all relevant aspects of the criterion in question. Any shortcomings are minor

4.4. How to Submit a Proposal?

In order to submit a proposal, the following steps should be taken:

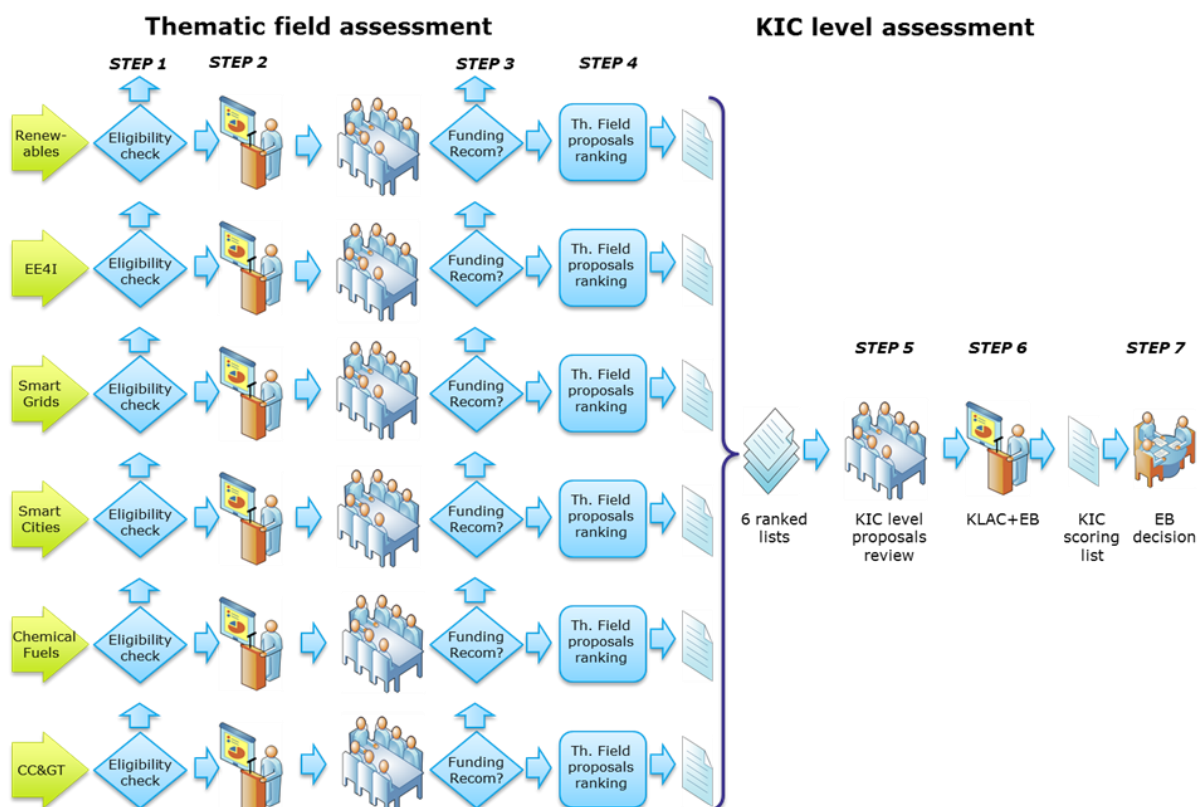
1. Inform the local KIC office manager or the corresponding thematic leader about your intention to submit a proposal well in advance. They should help in the process providing feedback, assisting to find relevant partners, clarifying doubts or answering questions.
2. Contact relevant partners for your project, inform them about the project and get them involved.
3. In order to find the right partnership, please look for the animation sessions organized by the different thematic fields, announced on the KIC-InnoEnergy website.
4. For making the proposal, local guidance sessions will be announced on the KIC InnoEnergy call website <http://cip.kic-innoenergy.com> under the tab “Events”. Upon request, the KIC office organizations can provide detailed information on how to prepare the proposal.
5. Please visit the CIP website in order to find and check all templates and supporting reference material describing what information is required for submitting proposal. You can find them under the tab called “documentation and timeline” (<http://cip.kic-innoenergy.com>)
6. Then, register for login credentials to submission platform on the CIP 2016 website. Under the tab “Register” fill in your contact details, tick the box “I would like to register to receive account details” and click “Send”. You will receive an e-mail with the address of submission platform and your log-in details. Please note, that you should apply for login credentials only if you are willing to submit your proposal. In case you want to learn about CIP2016 and are looking for information, please visit our website <http://cip.kic-innoenergy.com>”
7. According to the eligibility criteria, only proposals that are complete and submitted in time will be considered.
8. Distribute draft project proposal to other partners and agree upon the content of the proposal.
9. Submit your proposal **before 11th October 2016⁵**, uploading the **signed proposal** with the required documentation on the submission portal.

⁵ This is a hard deadline. No new submissions or updates will be accepted after this date.

Figure 2. – Evaluation process

5. EVALUATION PROCESS

The evaluation process will occur in two levels as per the process depicted in Figure 2.



1. **Thematic Field Level Assessment Committee (TLAC).** Each Thematic Field will appoint an assessment committee in charge of evaluating the proposals corresponding to its own theme (e.g., Thematic field Renewables committee will assess all proposals related to renewables, irrespective of the affiliation of the partners in the consortium). Thematic field assessment committee will check both admissibility and eligibility criteria and will rank the proposals according to the assessment criteria. Only those proposals selected by TLAC will be considered in the next assessment phase; the TLAC can reject a proposal if the ranking is too low.
2. **KIC Level Assessment Committee (KLAC)** will be performed by a committee composed by the thematic leaders as well as representatives from industry and academia. This group will review and rank all the eligible proposal evaluations performed at thematic level using the same assessment criteria. Upon presentation by the different consortia, the KIC level assessment committee will submit a ranked list to the KIC Executive Board for final decision. Please note that during the KLAC review the project proposals positively evaluated by the TLAC can be rejected, even before the KLAC meeting takes place.

The final resolution together with comments and recommendations will be communicated to each proposal manager.



6. PROJECT AGREEMENT

Upon favorable assessment of the project proposal, consortium partners and KIC InnoEnergy will sign a Project Agreement according to the template included in Annex 6 Innovation Project Agreement

Partners will constitute a Project Steering Board (PSB) who will appoint a project manager. The project manager will be the interface between KIC InnoEnergy and the project consortium. He/she will ensure that the project runs according to the plan and the requirements are duly fulfilled, in time, finance and quality. The project manager will be also responsible for the required reporting to the KIC. For more information about the role of the project manager in KIC InnoEnergy innovation projects, see Annex 7 - Role of KIC Innovation-Project-Manager.

7. TIME SCHEDULE

• Call launch	June 1 st , 2016
• Call presentation events: You will find the up-to-date liste of call presentation events on-line: http://cip.kic-innoenergy.com/ (tab "Events")	
• Deadline for submission of proposals	October 11 th , 2016
<u>Evaluation of Proposals</u>	
• Project presentation* by consortium at Thematic level	October 31 st – November 4 th (depending on location)
• Thematic Field assessment (TLAC) deadline	November 11 th
• Selection of proposal short listed for the KLAC	November 29 th
• Project presentation* by consortium to KLAC	December 8 th – 9 th (Amsterdam)
• KIC decision communicated to consortium	December 19 th , 2016
<u>Running of Projects</u>	
• WP0 - feasibility gate review	(no later than) June, 2017
• Mid-year project reviews	June/July, every year
• Year-end project reviews	January, every year
• Other gate reviews	to be decided by CC Manager

* If a presentation training is necessary, please take contact with the KIC-InnoEnergy office close to you

8. GLOSSARY

KIC InnoEnergy (KIC) Activity

The sum of KIC added value and complementary activities planned/implemented by a KIC.

KIC Added Value Activity (KAVA)

KIC added value activities are activities carried out by the KIC Legal Entity (LE) and/or KIC Partners, or by them in co-operation with other entities, that within the priority areas of the KIC stimulate innovation. These activities include education, research and innovation and entrepreneurial programs as well as programs and projects contributing to the integration of the knowledge triangle within the KIC.

KIC Complementary Activity (KCA)

KIC activities other than KIC added-value activities, that are carried out by the KIC LE and/or KIC Partners, or by them in cooperation with other entities, that primarily focus on KIC activities.

Objective

Specific description of the intended concrete outputs of the KIC activity.

Milestone

Scheduled event or point in time that indicates the completion of a major KIC activity. Milestones are identifiable, observable and serve as progress markers but there is no work or consumption of resources associated with them.

Gate

Gates are the planned decisions for directing the project, planned in the WP project management.

Output

The concrete technology, product, service, method, design, concept, methodology, approach, etc. created by a KIC Added Value Activity.

Examples: *new products or processes, transformation of existing products, guidance material for new approaches and methodologies, test beds and experimental facilities, prototypes, patents, etc.*

Tasks

Which company has to do what in which sequence to come to the result of the Work Package

Deliverable

Tangible document, medium, or other artefact encapsulating the quantifiable outputs (e.g. products, services) created by a KIC added value activity in pursuit of a specific objective and defined in the Business Plan for each specific activity. Examples: *comparative studies, market analysis reports, test reports, patent or other official knowledge documentation, technical drawings, Product or component CAD models, etc.*

Please note that deliverables must be written in English; they will be handed over to KIC local offices in real time.

Deliverables can be treated with 3 levels of confidentiality:

- Public = Can be shared in public, e.g. on the website.
- EIT Internal = Can be shared with EIT for the purpose of assessing the annual report. Cannot be published.
- KIC Internal = Can be shared within KIC InnoEnergy only. Cannot be shared with EIT and cannot be published.

N.B.: Core KIC documents such as plans and reports that support KIC work are part of the KIC planning and monitoring process and should not be listed as deliverables of KIC added value activities.



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9. LIST OF RELATED DOCUMENTS (NB: only documents highlighted in blue are necessary for the submission)

	Document	Stage: CIP Project Submission	Stage: Partner eligibility (*)	Stage: Project Kick-off (**)	Stage: WP0	Stage: Execution
CIP16-2 GEN	CIP general document	(reference doc)				
Annex 15	CIP16-2- Annex 15- General Guidelines	(reference doc)				
Annex 1A-F	Technology roadmaps	(reference doc)				
Annex 2	Annex 2 Rights and Obligations	(reference doc)				
Annex 7	Annex 7 Role of KIC Innovation-Project-Manager	(reference doc)				
Exhibit 1.1	Exhibit 1.1 - Project Plan	to be submitted		to be signed		revisable
Exhibit 1.2	Exhibit 1.2 - Project Schedule	to be submitted		to be signed		revisable
Exhibit 1.3	Exhibit 1.3 - Project Budget	to be submitted		to be signed		revisable
Annex 13	Annex 13 Success Fee 1-pager (template)	to be submitted			to be signed	
Annex 6	Innovation Project Agreement			to be signed		
Exhibit 2.1	Exhibit 2.1 - IP Background			to be signed		revisable
Exhibit 2.2	Exhibit 2.2 - IP terms			(reference doc)		
Exhibit 8.3	Exhibit 8.3 - Project evaluation criteria			(reference doc)		
Exhibit 9.2	Exhibit 9.2 - Project Steering Board members			to be signed		revisable
Annex 9	Accession Form		to be signed			
Annex 12	Legal entity form		to be filled			
Annex 14	Partner Master Data		to be filled			
Annex 10	Template project consortium agreement				to be signed (opt.)	
Annex 11	Fee agreement				to be signed	
	Framework Partnership Agreement 2016-2022		(reference doc)			
	Specific Grant Agreement (SGA 2016)		(reference doc)			
	Model for certificate on the methodology		(reference doc)			
	Model for the certificate on the financial statements (CFS)		(reference doc)			
	EIT financial guidelines (1)		(reference doc)			

(*) The eligibility is related to the partners, no to the project. Organizations who are already KIC Partners do not need to sign again. Each new organization will have to sign these documents; the date of signature of these documents triggers the eligibility of the costs incurred by each new partner.

(**) All contracts must be signed at the latest during WP

(1) due to the new Framework Partnership Agreement for 2016 – 2022, this document was not available when the call was open. It will be published on the website during June 2016.