



**CLIMATE  
KIC  
AUSTRALIA**

**ANNUAL REPORT**  
*2018-19*

IN COLLABORATION WITH





# 1

## WHO WE ARE

|          |   |
|----------|---|
| WELCOME  | 4 |
| ABOUT US | 5 |
| TIMELINE | 7 |
| PARTNERS | 9 |



# 2

## PATHWAY TO IMPACT

|                    |    |
|--------------------|----|
| IMPACT AT A GLANCE | 12 |
| ACTIVITIES         | 13 |



# 3

## HOW WE WORK

|                        |    |
|------------------------|----|
| STRUCTURE & GOVERNANCE | 28 |
| BOARD                  | 29 |
| ASSEMBLY               | 29 |
| OPERATIONAL GROUPS     | 29 |



# 4

## FINANCES

|                    |    |
|--------------------|----|
| PROFIT & LOSS      | 32 |
| FINANCIAL POSITION | 33 |

# WHO WE ARE

## Welcome.

We are pleased to present Climate-KIC Australia's third annual report.

Looking back, we are proud of the progress achieved. Since our inception over two years ago, we have successfully delivered innovation activities across sectors, to help Australia reduce emissions and adapt to a changing climate. Our collaborative projects have demonstrated a comprehensive suite of climate solutions and our entrepreneurship programs have supported the early stage-development of climate innovation in Australia.

None of this would have been possible without the collaboration, support and participation of our partners who are leading organisations from across industry, state government, research and the not-for-profit sector.

Looking ahead, we recognise there is more work to be done. Stepping up climate action has never been more urgent. Our focus for the next three years will be to grow our impact by doubling the number of partners in our community and expanding our portfolio of activities across Australia in a national collaboration to tackle climate change at scale.

The 2018-19 annual report showcases our work. It should be read in combination with our new Strategic Plan 2019-22 "Catalysing Climate Action" which outlines our future ambitions and highlights the importance of ongoing collaboration to achieve our vision for a climate resilient and liveable Australia with a thriving net-zero emissions economy.



Stuart White (Acting Chairperson)



Christopher Lee (Chief Executive Officer)

## About us.

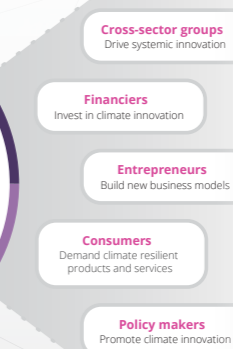
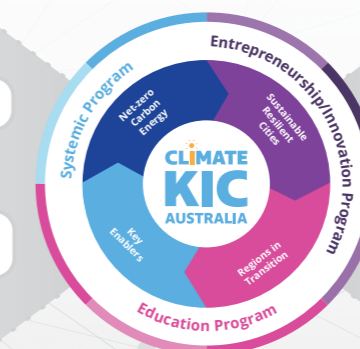
Climate-KIC Australia is an independent, not-for-profit organisation that aims to inspire and enable climate action by being a catalyst for systemic change, through innovation.

Climate-KIC Australia believes that systems level innovation is required to create transformations that address the climate challenge. Climate-KIC Australia's portfolio of activities create new opportunities for organisations who are willing to support the global transition to a low-emission, circular and resilient future.

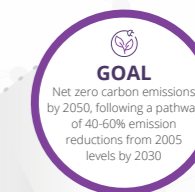
We have a deep international alliance with the European Institute of Innovation and Technology (EIT) Climate-KIC, and leverage their deep bench of experts and breadth of innovation learning.

## Theory of change.

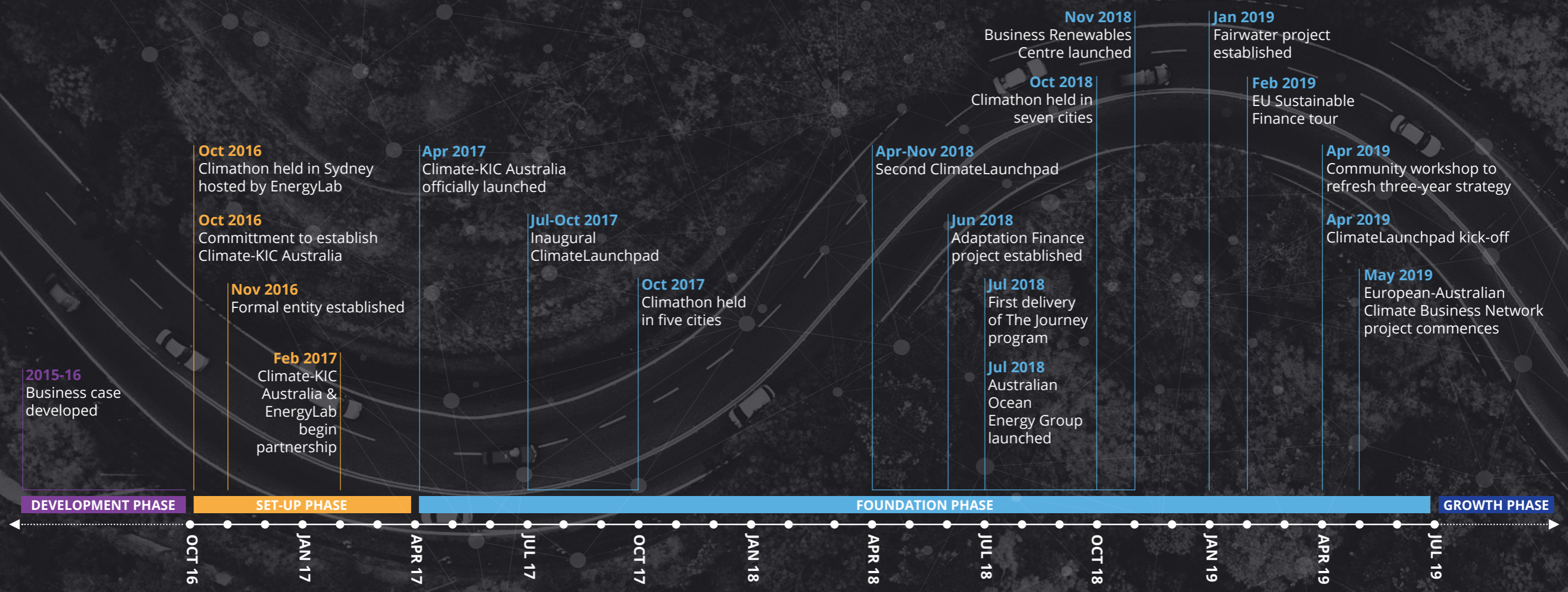
### Our Approach



### Our Results



Our history.



Our partners are leading organisations across industry, government, research and the not-for-profit sector, who **believe in the power of collaboration** and desire to transition Australia to a thriving net-zero economy.

## Our partners.



# OUR PATH TO IMPACT

Our impact at a glance.



## Our activities.

The Climate-KIC Australia community has made significant progress in moving toward its vision by working across four thematic areas – net zero carbon energy, sustainable resilient cities, regions in transition and key enablers – and program areas:

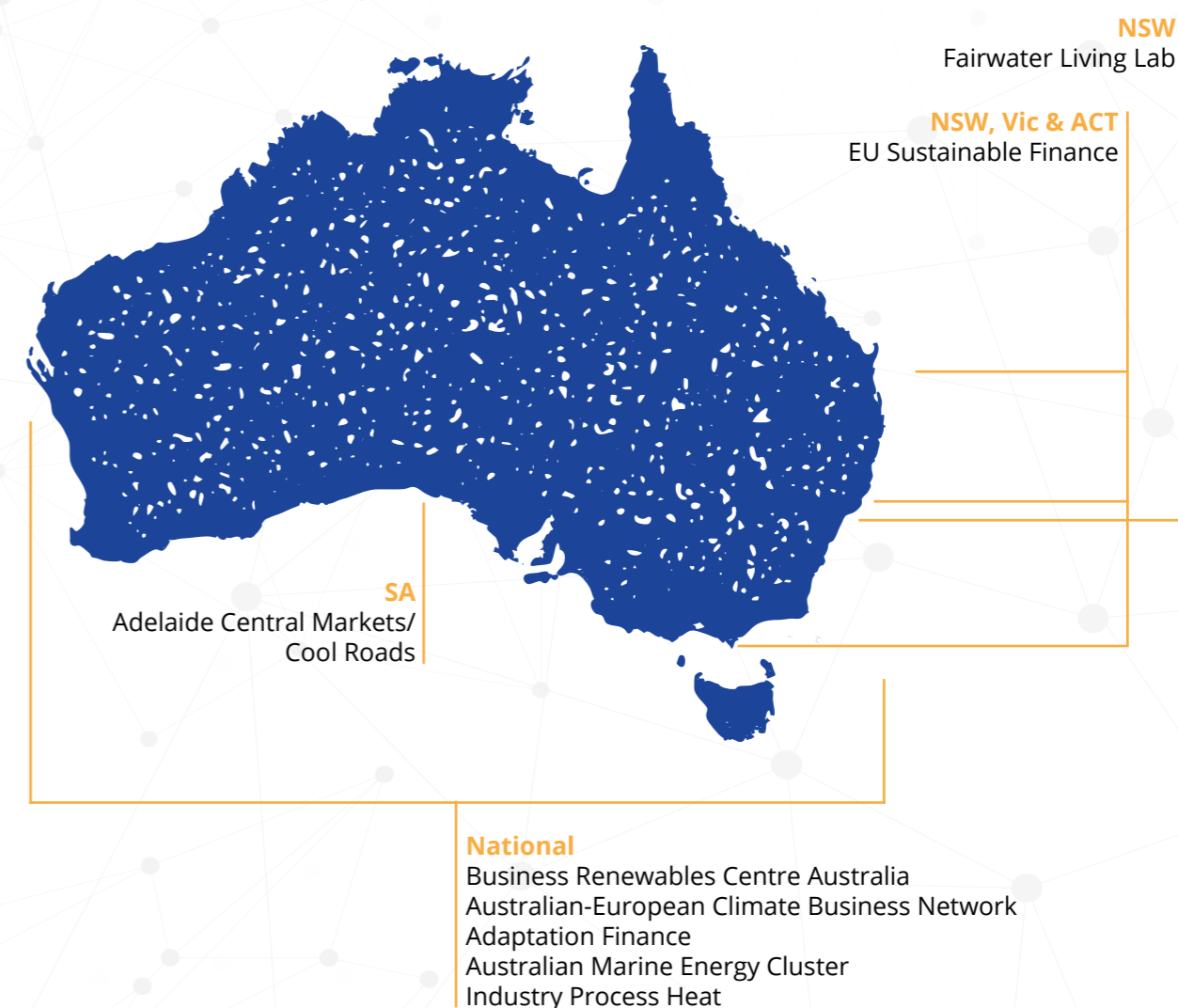
1. **Systemic:** We have established 8 collaborative projects
2. **Entrepreneurship/Innovation:** We have worked with entrepreneurs across the innovation pathway to nurture early stage ideas and support start-ups
3. **Education:** We have run educational activities to support the next generation of climate innovators and leaders



## Systemic Program

Climate-KIC Australia has established 8 collaborative projects across Australia. These projects provide demonstrations of climate innovation solutions that may be scaled in the future.

## Projects by location:





**BUSINESS  
RENEWABLES  
CENTRE  
AUSTRALIA**



**103**

Projects listed

**14.4**

GW  
total capacity listed

**236**

Members  
(76 buyers, 91 developers,  
55 service providers, 15  
partners)

**48**

Participating  
organisations at 2  
bootcamps

**4**

Industry events

#### How does BRC-A work?

Buyers, service providers and developers who become BRC-A members, have access to a marketplace. Developers can make their renewable energy projects visible to all buyers on the marketplace. Buyers and professional service providers can then search for these renewable energy projects available for off-take across Australia that meet their desired criteria and contact them directly.

Access to the professional network and project marketplace is only part of the BRC-A offering. The other, equally important benefit comes through the educational resources offered to its members. These tools help simplify the traditionally complex process of signing a Power Purchase Agreement (PPA). They are organised in a roadmap and provide information about PPA deal structure, accounting and risk and winning internal support. They also provide primers and guides to ease the usual pain points. The BRC-A also offers buyers the opportunity to attend bootcamps, which are exclusive two-day workshops bringing together potential and experienced buyers to exchange learnings and troubleshoot issues along the PPA journey.

#### What is the impact?

Over the last year, the BRC-A marketplace has doubled its membership and listings of renewable energy. There are currently 236 members (buyers, developers, service providers and partners) listing 103 projects with a total capacity of 14.4GW. Many members are currently engaged in PPA processes in various states. Key goals of assisting PPA signings to support 1GW of new renewable generating capacity by 2022 and 5GW by 2030 remain achievable.

#### HIGHLIGHTS: SYSTEMIC PROGRAM



#### BUSINESS RENEWABLES CENTRE AUSTRALIA (BRC-A)

Project status: *Ongoing (year 1 of 3)*  
Project size: *\$1.74M over 3 years*

The Business Renewables Centre Australia (BRC-A) launched in November 2018 and was established to help overcome the barriers Australian organisations face when procuring off-site renewable energy.

The \$1.74m initiative is based on the highly successful model developed by the Rocky Mountain Institute (RMI) in the US which has been involved in the completion of more than 7GW of renewable Power Purchase Agreements (PPA) since 2015. The funding for BRC-A was provided by the Australian Renewable Energy Agency (ARENA) and both the New South Wales and Victorian State Governments. Its delivery is managed by a consortium of Climate-KIC Australia, the World Wide Fund for Nature (WWF) Australia and Institute for Sustainable Futures (University of Technology Sydney).



## HIGHLIGHTS: SYSTEMIC PROGRAM



### FAIRWATER LIVING LAB

Project status: *Establishment*  
Project size: \$1.7M over 3 years, 40 individual houses involved in project

Fairwater Living Lab Project is a \$1.7m project that started in January 2019 and will run until January 2022.

The Fairwater development by Frasers Property in Blacktown, NSW, is the first community in Australia to incorporate upfront deployment of renewable thermal energy ground source heat pumps in each lot. The funding was provided by ARENA, Fraser Property and NSW Government.

Working together with a large group of engaged partners including University of Technology Sydney, Curtin University, Frasers Property, NSW Department of Planning, Industry and Environment, Green Building Council of Australia, Wattwatchers, Hux, Jemena and Presync, the project aims to test the performance of the system in the Australian context system and how residents respond to and utilise the technology.

The overarching aim of this research project is to ascertain whether Fairwater delivers the presumed sustainability, resilience, wellbeing and commercial benefits. Metering and monitoring devices installed in 40 individual homes will collect data on electricity, water and gas use, as well as the indoor and outdoor environment. The majority of the data gathering and analysis will occur over the next two years.

# 3

Workshops run  
by Climate-KIC  
Australia

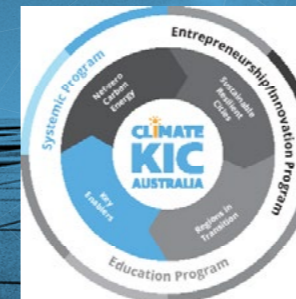
# 5

External events  
attended

# 50

Stakeholders  
consulted

## HIGHLIGHTS: SYSTEMIC PROGRAM



### ADAPTATION FINANCE PROJECT

Project status: *1 year completed*  
Project size: \$180K over 3 years

Working with a large group of partners, including, National Australia Bank, Suncorp, Local Government Association of South Australia, Sustainability Victoria, NSW Department of Planning, Industry and Environment, Queensland Department of Environment and Science, XDI, Investor Group on Climate Change and QIC, the project aims to demonstrate how the financial sector can invest in climate adaption to deliver commercial returns and greater community resilience.

The Adaptation Finance project went through its scanning phase. Climate-KIC Australia ran workshops and held numerous meetings with potential partners with an aim to find potential projects, as well as defining potential market entry barriers for adaptation finance investment. The project has now reached its next phase exploring more specific projects in an identified region. We will work with adaptation leaders in this region to shape a market for adaptation.

## HIGHLIGHTS: SYSTEMIC PROGRAM



### EU-AUSTRALIA SUSTAINABLE FINANCE

Project status: *Complete*  
Project size: \$160K  
Project duration: *October 2018 - May 2019*

The EU Australia Sustainable Finance project was successfully implemented in 2019 and funded by the Strategic Partnerships for the Implementation of the Paris Agreement (EU/SPIPA). The aim of the project was to understand lessons and implications from Europe's "Financing Sustainable Growth" action plan that could be applied in Australia.

A tour of two European experts on sustainable finance took place engaging academics, business professionals, governmental departments and the public, alongside a publication by UTS exploring the potential in the sustainable finance sector in Australia. This report has provided important input to the establishment of the Australian Sustainable Finance Initiative (ASFI). Climate-KIC Australia and UTS are now representatives on different working groups of ASFI.



Unlocking Australia's Sustainable Finance Potential

PREPARED FOR:  
CLIMATE-KIC AUSTRALIA



### Speakers:

- **Two** high-ranking experts on EU sustainable finance
- **Four** academics from University of Technology Sydney Institute for Sustainable Futures and CBSI
- Panellists **Emma Herd** from the Investor Group on Climate Change, **Anna Skarbek** from ClimateWorks and **Simon O'Connor** from the Responsible Investment Association of Australia

# 290

Attendees at events

# 11

Public and private events

## HIGHLIGHTS: SYSTEMIC PROGRAM



### EUROPEAN-AUSTRALIAN CLIMATE BUSINESS NETWORK

Project status: *Contract signed, research and mapping phase*  
Project size: \$320K over 3 years

The European-Australian Climate Business Network is the second project funded under the EU/SPIPA program, which was kickstarted towards the end of 2018/2019. The project aims to build a network for Australian and European peak bodies across a wide range of industry sectors to enable bilateral engagement in sustainability activities.



### AUSTRALIAN OCEAN ENERGY GROUP

Project status: *Ongoing*  
Project size: \$654K, July 2018-March 2020

The Australian Ocean Energy Group (AOEG) is a collaboration with Climate-KIC Australia and a consortium of industry partners, with start-up funding provided by National Energy Resources Australia (NERA). Initially formed by a group of wave and tidal technologies companies, AOEG has now grown to include Australian and international representation from industry, government and academia. AOEG officially launched in July 2018. Its key aim is to accelerate commercialisation of Australia's ocean energy sector as the next frontier in low carbon generating capacity and add ocean energy to Australia's energy resource mix.



## Entrepreneurship/Innovation Program

Our entrepreneurship/innovation programs support the development of early green business ideas. Two of our programs – ClimateLaunchpad and Climathon – were developed by EIT Climate-KIC and offer global network connections. Climate-KIC Australia also provided funding to 36 green businesses in the EnergyLab accelerator. The partnership has delivered value by growing the ecosystem.

The number of ideas across the innovation pathway - in EnergyLab's accelerator, ClimateLaunchpad and Climathon – continues to increase every year. The programmes provide pathway connections (e.g. some start-ups have been through multiple programmes) and the two brands are building a strong narrative that entrepreneurs can develop new green businesses.

## Education Program

HIGHLIGHTS: EDUCATION PROGRAM



### Journey

Project duration: 3 months  
Location: Victoria  
Partners: DELWP

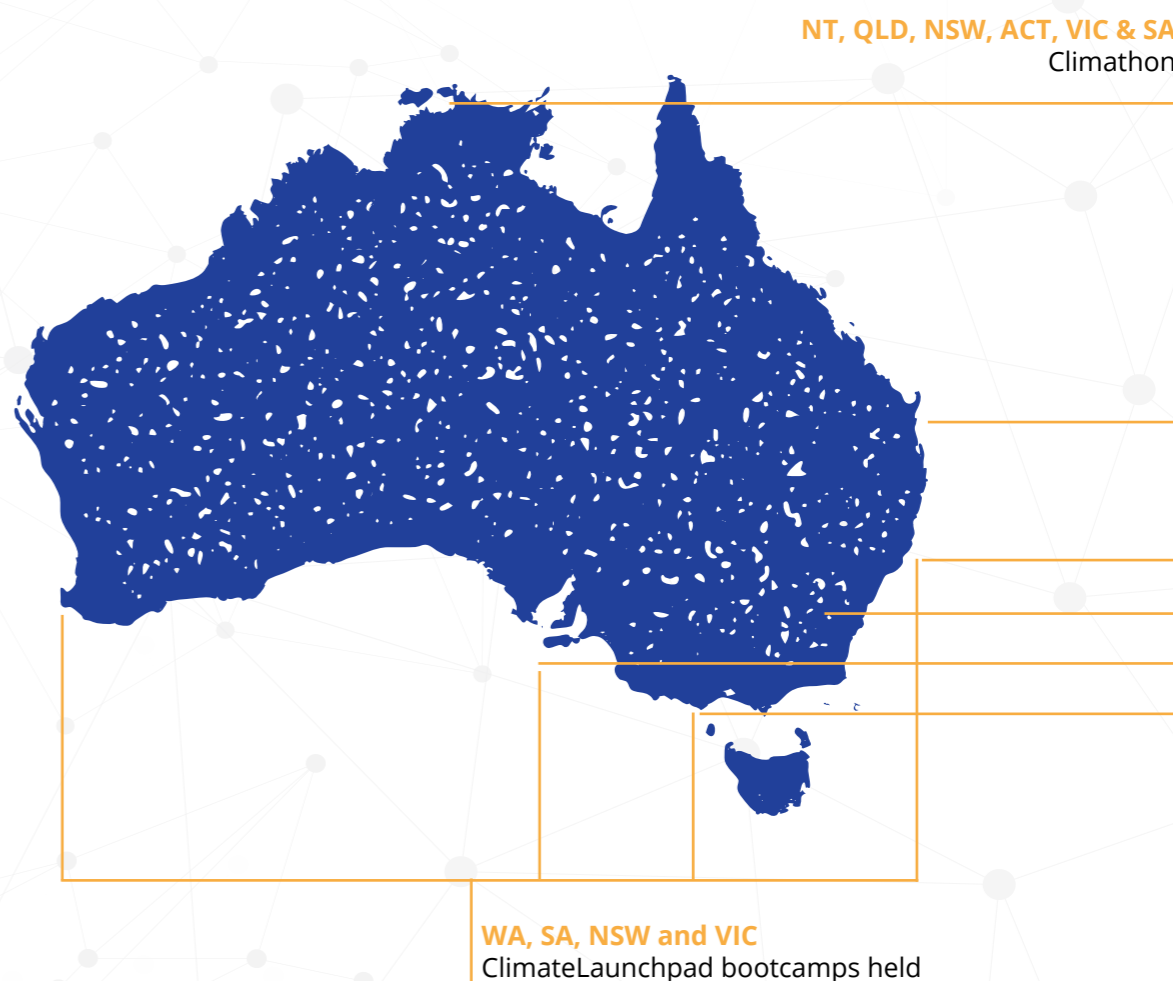
In July 2018, we piloted the The Journey in Australia with the aim of providing participants skills, knowledge and tools to become entrepreneurs in the climate change arena.

The Journey builds on the successful European program to expand Climate-KIC Australia's education program and develop our education strategy.

The inaugural Journey program was delivered in July 2018 in Victoria to seven enthusiastic participants (students and professionals from a diverse range of backgrounds) over three intensive weeks.

The Journey was offered to honours, postgraduate and early career professionals with a unique combination of climate knowledge and hands-on business experience.

During this residential climate innovation course, the participants were exposed to new tools, skills, mindsets and ideas. Participants were challenged to form teams, to create business ideas, put their chosen ideas through business and finance modelling tools and finally pitch their idea to the public.



## HIGHLIGHTS: INNOVATION PROGRAM



## Climathon

Following on from the success of last year's Climathon, we extended the range of cities involved from 5 to 6, including not only capital cities but also regional cities such as Alice Springs. Each city secured at least 3-4 event partners. Co-hosts set challenges that were suited to each city's sustainability strategies and worked towards solutions for key priorities in terms of community engagement and climate challenges.

Almost 300 people signed up to Climathon across Australia, with 40 teams formed. A fully branded social media campaign leading up to Climathon strengthened Climate-KIC Australia's positioning and visibility.



## HIGHLIGHTS: INNOVATION PROGRAM



ClimateLaunchpad

Australia

ClimateLaunchpad (CLP) is the world's largest and most successful green business ideas competition. During 2018, Climate-KIC Australia participated for the second time and ranked fifth globally in terms of applications received.

32 teams were provided with business model training and the top three teams – Sunovate, Australasian Circular Textile Associate and Fuel Switch – represented Australia at Global Pitch finals in Edinburgh.

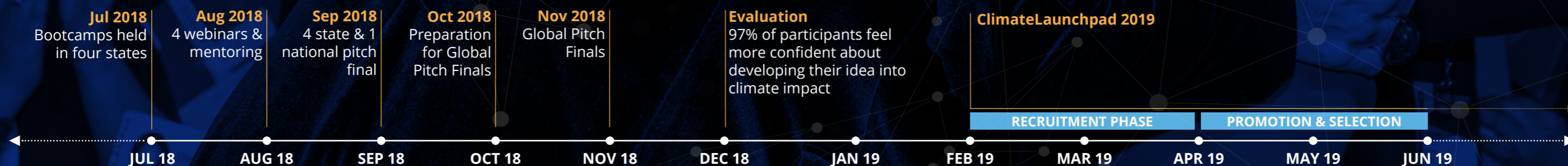
Since the finals, CLP participants have achieved outstanding results. For example, Sunovate has been invited to participate on an International Energy Agency taskforce on photovoltaic-thermal technology and were named one of the top 100 energy transition start-ups in 2019 by the World Energy Council.

Together with our partners at University of Melbourne, University of Adelaide, Curtin University and EnergyLab, 2018 proved our most successful year for ClimateLaunchpad yet, and we were able to build our new mentor network to 40+ mentors.

Following on from the success of the 2018 campaign, ClimateLaunchpad in 2019 is shaping up to be even more successful. After a two month media and promotion campaign, 40 teams were chosen out of over 90 applications to go through the same training, mentoring and pitching process as the 2018 teams.

**“A business school in disguise, that is how former participants describe our competition. We train people with green ideas to become successful entrepreneurs.”**

**Frans Nauta,  
Founder & Program Director ClimateLaunchpad**



# HOW WE WORK

## Structure and governance.

Climate-KIC Australia Ltd (ABN 95 616 047 744) is public company limited by guarantee registered under Australian Corporations Act on the 22nd November 2017. On the 4th of August 2017 the company was registered as a charity with the Australian Charities and Not-for-Profits Commission (ACNC). The effective date of charity registration is 01 January 2017.

The company was added to the Register of Environmental Organisation's on 26th April 2018 providing deductible gift registry (DGR) status to Climate-KIC Australia Ltd.

The company structure and governance balance Climate-KIC Australia's goal of agility with the need for transparency and clear accountability to its funders. A strong governance framework allows our lean organisation to maintain operating rigour.

## The Board

### Directors as at 30 June 2019:

Professor Stuart White – University of Technology Sydney, Acting Chair  
Mr Neil McFarlane – SA Department for Environment and Water  
Dr Thomas Schroder – South Pole Pty Ltd  
Professor Greg Morrison – Curtin University  
Mr Piers Grove – Energy Lab Limited  
Ms Sara Parrott – Suncorp Group  
Professor Mary Ritter – EIT Climate-KIC  
Ms Kath Rowley – VIC Department of Environment, Land, Water and Planning  
Dr Kate Wilson – NSW Department of Planning, Industry and Environment

## Climate-KIC Australia Assembly

The Climate-KIC Australia Assembly helps the management team to develop business strategies. The assembly is made up of all core partners and met in April 2019 for a day long workshop which was held at the University of Technology Sydney, to discuss the development of Climate-KIC Australia's three-year strategy.

## Operational Groups

All core partners were invited to three operational group meetings during 2018/19 (Aug, Nov & Mar), which were forums to share information about Climate-KIC and partner activities.

# OUR FINANCES

## Profit and loss.

Climate-KIC Australia Ltd ABN 95 616 047 744  
Detailed Profit and Loss Statement  
for the year ended 30 June 2019

### Income

|                           |           |
|---------------------------|-----------|
| Contributions (Members)   | 1,836,329 |
| Grants                    | 106,290   |
| Other revenue             | 116,673   |
| Interest received         | 3,727     |
| Currency gains / (losses) | (3,080)   |
| Total income              | 2,059,939 |

### Expenses

|   |           |
|---|-----------|
| Accountancy                             | 5,205     |
| Audit fees                              | 359       |
| Bank fees & charges                     | 900       |
| Catering                                | 3,756     |
| Communications & Marketing              | 90,989    |
| Consulting                              | 30,596    |
| Contractors                             | 624,949   |
| Depreciation                            | 11,033    |
| Equipment (< \$30 ,000)                 | 5,473     |
| Fines & late fees                       | 79        |
| General expenses                        | 721       |
| Insurance                               | 12,540    |
| Interest - Australia                    | 356       |
| Printing & stationery                   | 2,579     |
| Program Delivery - Catering             | 20,579    |
| Program Delivery - Services Fees        | 180,917   |
| Program Delivery - Travel-International | 45,599    |
| Program Delivery - Travel - National    | 48,162    |
| Rent on land & buildings                | 2,347     |
| Sponsorship                             | 27,848    |
| Staff amenities                         | 3,241     |
| Subscriptions                           | 6,402     |
| Superannuation                          | 69,131    |
| Telephone & internet                    | 4,078     |
| Travel - International                  | 26,622    |
| Travel - National                       | 30,614    |
| Wages & salaries                        | 745,471   |
| Total expenses                          | 2,000,548 |
| Profit from Ordinary Activities         | 59,391    |

Financial position.

Climate-KIC Australia Ltd ABN 95 616 047 744  
Detailed Statement of Financial Position  
for the year ended 30 June 2019

Current Assets

Cash Assets  
CBA Business Online Saver account  
CBA Business Transaction account

2019  
\$

572,647  
431,334  
1,003,981

Receivables  
Accounts receivable

259,804  
259,804

Total Current Assets

1,263,785

Non-Current Assets

Property, Plant and Equipment  
Computer equipment  
Less: Accumulated depreciation  
Office equipment  
Less: Accumulated amortisation

8,101  
(3,281)  
35,168  
(14,244)  
25,744

Total Non-Current Assets

25,744

Total Assets

1,289,529

Climate-KIC Australia Ltd ABN 95 616 047 744  
Detailed Statement of Financial Position  
for the year ended 30 June 2019

Current Liabilities

Payables  
Unsecured  
Accounts payable

2019  
\$

21,522  
21,522

Financial Liabilities  
Unsecured  
Wages payable

12,948  
12,948

Current Tax Liabilities  
GST clearing  
PAYG withholding payable

39,552  
54,109  
93,661

Provisions  
Superannuation payable  
Unpaid expense claims

(1,175)  
187  
(988)

Other  
Revenue in advance

1,038,325  
1,038,325

Total Current Liabilities

1,165,468

Total Liabilities

1,165,468

Net Assets

Equity  
Retained profits / (accumulated losses)

124,061  
124,061

Total Equity

124,061

# THANKS

Our activities are contributing towards Australia facing the growing threat of climate change. We could not accomplish our impact without the support, involvement and enthusiasm of our industry, government, innovation and research partners. Our impact is our partner's impact.

We are grateful for your significant contributions and will continue to harness the power of collaboration as we grow over the next 3 years of our Strategic Plan – Catalysing Climate Action. We look forward to working with our community to build collective motivation across the nation to help Australia face the growing threat of climate change and seize the opportunity of a zero-carbon, climate resilient economy.

## Get in touch.

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[climate-kic.org.au/subscribe](http://climate-kic.org.au/subscribe)



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