

Climate-KIC

Request for Proposal

Monitoring and Evaluation Framework Development

Date – 19th May 2017

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1. Introduction

Climate-KIC is commissioning this work to help it better monitor and evaluate the performance of its portfolio of innovation-related activities that it funds. While, at the present time, funding is nearly exclusively derived from EIT funding this work should be suitable for other types of funding.

Climate-KIC invites formal proposals from experienced organisations to provide professional services in this important area of our strategic development.

The information and instructions provided in this document are designed to ensure that all proposals are given equal and fair consideration.

2. Background

2.1 Climate-KIC

Climate-KIC is the world's leading public-private partnership addressing climate change mitigation and adaptation through innovation. It is one of six Knowledge and Innovation Communities (KICs), supported by the European Institute of Innovation and Technology (EIT), that provide a unique model of innovation to address key societal challenges, benefit the economy, create new jobs and enhance the entrepreneurial culture of Europe. Climate-KIC's mission is to **bring together, inspire and empower a dynamic community to build a zero carbon economy and climate resilient society**. Our vision is to enable Europe to lead the global transformation towards sustainability.

Climate-KIC catalyses and facilitates innovation to bring about the climate relevant economy. We primarily focus on systems and a systemic approach to innovation. Thus, we not only need new technologies, but also new business models, legal frameworks, social practices and cross-sectorial thinking. Key to our systemic approach to innovation is our partnership, which is a diverse set of first-rate knowledge institutions, leading corporations, SMEs and ambitious actors from the public sector. We bring this community together to create a strong supply of new ideas and transform the way we tackle climate change. We aim to crystalize complex demand-side needs and focus supply-side creativity on understanding and meeting these needs.

<http://www.climate-kic.org/>

<http://eit.europa.eu/kics/climate-kic/>

Climate-KIC works across 32 European countries and supports a range of programming designed to catalyse innovation as described. We have a matrix structure, combining thematic focus with an innovation investment framework and pan-European footprint. These elements are explained in more detail below.

2.2 Thematic focus

Our four core Themes focus on **Urban Transitions, Sustainable Land Use, Sustainable Productions Systems and Decision Metrics & Finance**. Education underpins all of what we do, working and supporting the Themes, building and developing both the short term and long-term human capital of our community and beyond.

Urban Transitions

Aim: Develop integrated, interoperable, scalable and replicable systemic solutions to underpin the carbon-negative, responsive, resilient cities of the future.

Climate-KIC's Urban Transitions theme develops integrated, scalable and replicable systemic solutions that serve as catalysts, driving the transformation towards livable, zero-carbon and resilient cities. To this end, we bring together innovators and key stakeholders in urban systems to overcome barriers and drive systems innovation, demonstrating that ambitious innovation with high socio-economic and climate benefits is possible. We then support the scale up of these innovations within Europe and beyond, unlocking the market potential for climate benefit worldwide.

Sustainable Land Use Systems

Aim: Produce innovative scalable solutions to generate value for actors using land resources while reducing emissions, increasing carbon sequestration and societal resilience.

Land is both an emitter and sink of carbon, it provides food for consumption and feedstock for industry and of course, it provides a habitat for those living on it. In this complex environment, Climate-KIC has to address changing land use in the context of the value chains that it supports, to ensure we avoid zero-sum diversions. More specifically, this Theme sees most innovation potential in agriculture and forestry activities, which are addressed through integrated landscape approaches.

Sustainable Production Systems

Aim: Accelerate the transition to economically viable circular models, decoupling growth from resource use and GHG emissions.

At the heart of our ambition to decarbonise Europe's industry, is the premise that economic growth must be decoupled from resource use and GHG emissions. To achieve this aim, we have prioritised: bio-based feedstock, CO₂ capture and reuse, by-product valorisation and the circular economy. Low-carbon value chains based on the circular economy and bio-economy are the future foundation of Europe's industry.

Climate-KIC's SPS theme catalyses the transition to a zero carbon economy by seed-funding high-impact climate solutions, facilitating innovative cross-industry co-operation and supporting technological as well as unique business model innovation in regional clusters and value chains.

Decision Metrics and Finance

Aim: Create innovative, transformative tools and systems to monitor and model climate impact and risk, unlock investment and change behaviour.

From carbon management to environmental auditing, we address data and evaluation so that sectors, companies, cities and investors understand where they are now and where they need to go in order to thrive in the long term, save costs, and deliver on climate targets. Our risk management and adaptation services determine the cost and impact of climate change currently not visible across sectors, supply chains and investments, while offering ways to build in resilience. We support investors in identifying and accessing bankable, green projects by articulating new models of value, benefits and returns. We inspire change by innovating in ways to make the business case for sustainability.

As all of our Themes illustrate, addressing climate change is a complex endeavour and this complexity can often hinder confident action. This Theme aims to make the process of planning and decision-making more straightforward and thereby unlock investment to where it can make the biggest difference. The very same tools and systems also bring clarity to where human action can make a difference – behavioural change from a personal or collective perspective.

We build integrated competences, models, tools and mechanisms to provide the evidence informing systemic decision-making and to realise the full potential of stakeholders to act against emissions and increase resilience.

2.3 Education

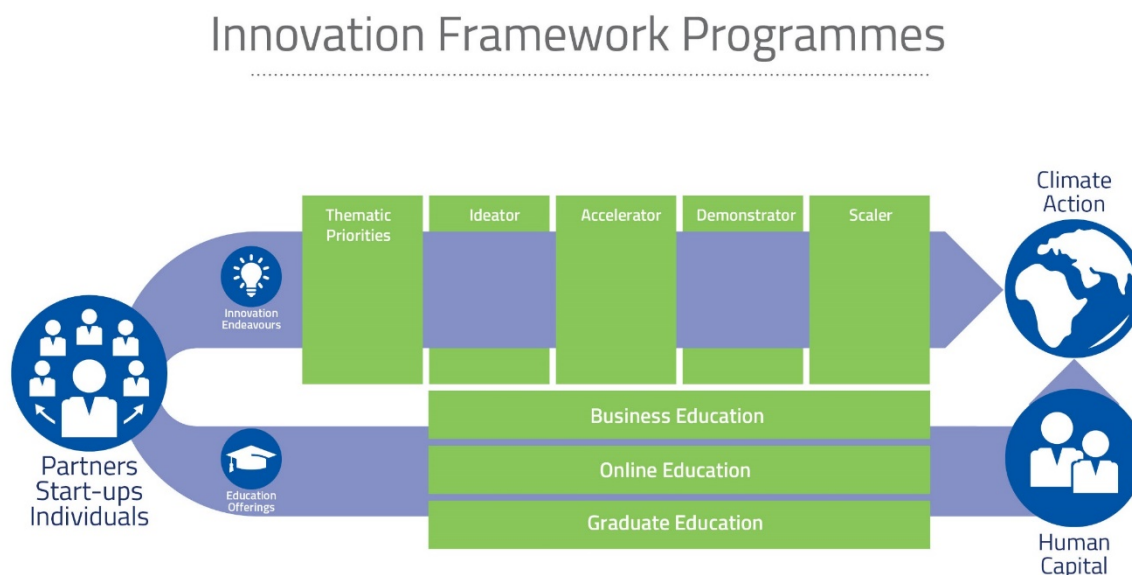
Aim: Inspiring and empowering innovators to catalyse climate action.

Education is at the heart of Climate-KIC and continues in its broader remit of inspiring and building human capital. In addition to that role, Education now more directly supports the Themes, addressing knowledge and competency gaps that were previously performed within other pillars. Education

continues to evolve its highly developed formats from targeted learning-by-doing through to broad reaching online education.

2.4 Innovation framework

Innovation is the heart of Climate-KIC. The figure below summarises our approach to integrating and supporting an innovation framework.



2.5 Geographical structure

Climate-KIC primarily engages directly with its community through an organizational structure based around six Geographic units – Benelux, DACH (Germany, Austria and Switzerland), Mediterranean (France, Spain, Italy), Nordic (Denmark, Sweden, Finland, Norway) and UK&I. Offices in these locations act as the hubs of our pan-European presence. They are the multinational clusters on which we build our community, stimulate interactions and increase impact within and across national boundaries.

The Climate-KIC group consists of a Dutch Association which is governed by an Assembly, with representation of all Core partners. The Association is the sole shareholder in a Dutch Holding company (Climate-KIC Holding B.V.) which is responsible for management of the Climate-KIC group. The Assembly appoints a Governing Board that represents the Association.

The Governing Board appoints the Executive Board of the Climate-KIC Holding B.V. comprising the CEO, CFO, COO and 2 further members. Subsidiaries of Climate-KIC Holding B.V. have been established in all the major geographies for employment of staff. A total of 164 staff are currently employed by these Climate-KIC subsidiaries for core functions, while many other individuals with the partner community contribute to Climate-KIC activities.

3. Objectives of this Work

The objective of this work is to deliver the initial step in a broader ranging evolution in how Climate-KIC monitors and evaluates the portfolio of innovation activities that it predominantly funds through EIT funding. This initial step is to build a monitoring and evaluation framework and a roadmap to implement that Framework.

The new monitoring and evaluation framework must be underpinned by a clear logic model of the key innovation related activities that Climate-KIC undertakes. This includes:

- The progression of supported innovations and the results, outcomes and impact that they can create individually and as part of a system.
- The progression of ecosystems and the indirect innovation results, outcomes and impact that they can create.

Since the innovation timescales to impact delivery are relatively long term, there will be an emphasis on identifying and understanding innovation progress proxies to act as lead indicators on both the above. We believe that this is likely to take the form of both qualitative and quantitative measures. There also may need to be an element of narrative to capture some of the indirect impact created.

At the time of writing, Climate-KIC intends to undertake a strategic exercise looking at the “Theory-of-Change” to deliver the climate-relevant economy. This task force will go beyond the immediate portfolio of Climate-KIC to bring in other external actors and activities to help position Climate-KICs own focus. We anticipate that this exercise should be complete by end-June 2017 and will be a key input into the logic model. If there is any delay in this strategic exercise, Climate-KIC will work with the provider to manage any parallel activities that might occur.

Beyond the logic model, we also want to explore in-project measures that enable us to better monitor project activity and the likelihood of project success. Innovation is often a very iterative and unpredictable process, making it difficult to monitor against a set, designed plan. This is further compounded by the fact that each project varies in the scale €50k - €5M and is managed by a Partner, not Climate-KIC. We are looking to leverage best practice in monitoring agile and iterative project lifecycles.

Currently Climate-KIC is very dependent on manual processes to collect and store monitoring and evaluation information. This limits the scope of what we can achieve in monitoring and reporting, is prone to human error and is very difficult to analyse to gain insights into performance. The roadmap to implementing the Framework will need to include recommendations for systems support in achieving that roadmap.

4. Proposal Specification

4.1 Focus areas

The following sets out the activities required by Climate-KIC.

Task 1: Audit of Monitoring and Evaluation Information currently held and collected by Climate-KIC

While our current manual processes limit the data and information that can be collated centrally, we are aware that there are pockets of valuable information collected and used very locally or in specific circumstances. Much of the monitoring and evaluation that is currently conducted is driven by specific reporting requirements of our funders, which does not provide a complete picture of performance. The audit aims to understand the monitoring and evaluation that we already collect, even if it is not formally-used for reporting or communications purposes. Such pockets may represent foundations on which a more systematic, organisation-wide monitoring and evaluation approach can be built.

- What performance-related monitoring data is being collected by Climate-KIC staff, teams and key delivery partners? What is it intending to measure and for what purpose? How is this data being captured, stored and updated? How accurate is it and what steps are being taken to assess and validate this data?
- What evaluations have been conducted of Climate-KIC-supported projects and programmes? When did these evaluations happen and where is the information stored? To what extent do these evaluations represent good/good enough practice?
- Who within the organisation has expertise in monitoring and evaluation and/or is playing a role?

Based on the audit, what would you recommend as next steps in terms of developing a more systematic and robust approach to collecting, gathering, sharing and using monitoring and evaluation data/information?

Output: A structured report for Climate-KIC's internal use, no longer than 30 pages (excluding annexes), answering the questions set out above. The report should distinguish broadly collected information versus more isolated collected information and formally versus informally utilised information. The exact methodology to be employed should be presented by the applicant and discussed/agreed with Climate-KIC.

Task 2: Develop a Logic Model for climate-relevant innovation that spans from innovation ideas all the way through to meaningful economic impact.

Climate-KIC has agreed a 2017-2021 corporate strategy, with a range of headline objectives and directions of change. In line with this strategy and as already indicated, Climate-KIC is establishing a task force to develop the overall "Theory-of-Change" to deliver the climate-relevant and resilient economy that limits global temperature rise to less than 2°C.

Job creation and economic growth through innovation are the principle ambitions of our funders, with Climate-KIC given the specific brief to achieve this through addressing the societal challenge of climate change. Our belief is that maximum climate mitigation and adaptation impact is aligned with the economic success of innovation, but for the purposes of this engagement the climate impact dimension is not a major feature of this task. Climate-KIC has already invested in developing an

approach to climate impact assessment, monitoring and evaluation that is dependent on economic success and will work with the provider's team to ensure it can be integrated with the Logic Model. *Climate-KIC will allocate its Climate Accounting Manager to the project team at a pre-agreed commitment level to support the integration.*

Instead, Climate-KIC seeks help with developing a logic model that helps us to understand how each of our projects and programmes are:

- Contributing to the conditions in which the probability, scale and speed of innovation are increased.
- Stimulating innovation itself, recognising factors of scale, speed and uptake and recognising that innovation can be both systemic and component or point.
- Supporting the mechanism through which innovation creates positive socio-economic outcomes and impacts.

The logic model should cover all Climate-KIC's innovation related activities and should recognise the direct and purposely in-direct benefits and impacts of Climate-KIC funded activities.

Non-innovation related activities such as company management are out-of-scope of the Logic Model.

Output: A Logic Model with supporting rationales, assumptions and explanations, that can be distributed in an easily accessible and easily understandable format.

Task 3: Review current Climate-KIC and EIT Reporting criteria and approach to recommend quick win enhancements.

Taking the learning from tasks 1 and 2, the provider will be expected to review the current Key Performance Indicators that are required as part of Climate-KIC's annual reporting to EIT. The EIT KPIs are determined by EIT and are non-negotiable as they are used to compare the performance of KICs irrespective of the societal challenge that they are focused on. There are also many non-negotiable Horizon 2020 indicators that are being introduced. It is only the Climate-KIC KPIs where we have the opportunity for refinement. The purpose of this task is to assess:

- Whether new or revised Climate-KIC KPIs would be more appropriate to both the impacts we are seeking to achieve and the capacity/potential within the organisation to measure progress against these KPIs.
- What can be established in the short and medium terms to address gaps, reduce redundancy and improve the quality and efficiency of reporting?

The current formal EIT and Climate-KIC KPIs that are reported on (new for 2017), are included as an annex to this RFP.

Output: Short report and PPT providing precise recommendations for changes or enhancements to Climate-KIC KPIs and the system/approach to support reporting against these.

Task 4: Creation of a Monitoring and Evaluation Framework.

Use the results of Task 1 and Task 2, coupled with the provider's own knowledge, to create a monitoring and evaluation framework for Climate-KIC. The Framework will act as a blueprint for how Climate-KIC will monitor and evaluate all its innovation related activities. The precise form of the Framework will be discussed and agreed as the work on the first three tasks progresses. It is likely the supplier will need to work with Climate-KIC staff through a series of participatory workshops to develop and refine a framework.

Including the results from Task 1, 2 and 3, the framework should include answers to the following questions:

- What are the objectives of Climate-KIC's monitoring and evaluation activities?
- What specific questions need to be asked and answered to gauge progress on an organisation-wide and project/programme-by programme basis?
- What information is needed and who can provide that information?

How will that information be combined to give portfolio and organisation-wide views on the impacts of our work?

Output: Monitoring and Evaluation Framework in the agreed format based on inputs from Climate-KIC staff.

Task 5: Development of a Monitoring and Evaluation Roadmap for Climate-KIC

Develop a recommended implementation roadmap, that through a series of clear steps takes Climate-KIC from the current "as is" situation of basic monitoring and reporting to the "to be" situation represented by the Monitoring and Evaluation Framework.

The plan should assess the following questions:

- Resources: how much money and time will be needed to conduct the activities?
- Capacity: Does the Climate-KIC have internal capacity to carry out the proposed monitoring and evaluation activities, including analysis of data collected, or will outside expertise be needed?
- Feasibility: Are the proposed activities realistic? Can they be implemented?
- Timeline: Is the proposed timeline realistic for conducting the proposed activities?

The roadmap should identify steps that can be performed without significant internal systems change and steps that could be achieved if accompanied by significant systems change. Defining the exact scope of any significant systems change should be considered beyond the remit of this work, though recommendations on key requirements should be included. Climate-KIC is currently working on parallel projects to strengthen our grant management and stakeholder management systems, which will identify the precise scope of the systems changes.

Outputs:

1. A Monitoring and Evaluation Implementation Roadmap

2. Systems requirements recommendations that can inform other systems implementation projects.

4.3 Reporting and deliverables

The provider is expected to produce outputs which address the tasks as identified above. The deadlines will be agreed before commencement of the project. Periodic status meetings to monitor project progress, raise and solve delivery issues will be mutually agreed on commencement of the work.

4.4 Organisation Meetings

The contract will be sponsored by the Director, Research and Thought Leadership and a Climate-KIC steering group will be setup to approve the initial project plan and convene at key project milestones to be identified. A Climate-KIC project manager will be appointed to facilitate project progress and arrange necessary meetings with Climate-KIC staff.

4.5 Special requirements

The contractor is expected to possess extensive expertise in the fields of innovation, monitoring and evaluation, economic development, public-private collaboration.

4.6 Timetable

This opportunity will be advertised until the 9th June 2017.

If requested, Climate-KIC will offer an open Q & A session to all providers to help clarify the requirements and support better targeted proposals. The Q & A session will be held at least 3 working days before the advertised deadline.

The indicative start date is for this project is the latter half of June, dependent on provider availability. The aim is to perform much of the Climate-KIC information collection before many staff commence summer vacations, particularly in the Nordic countries.

The detailed project plan will be mutually agreed before the commencement of work.

The project should conclude before the end of December 2017.

5. Contract Value & Payment Arrangements

There is no fixed budget limit for this work, however we do not anticipate it exceeding €100,000. Payment will be made within 30 days of Climate-KIC approving the final project output. If the project length exceeds 6 months than we are open to discuss a payment schedule linked to deliverables.

6. Proposal Requirements

Applications should be in the form of a proposal stating your relevant expertise, methodology, fee (broken down by activity/time inputs) and CVs. Proposals should not exceed 20 pages of 12-point font with standard margins. CVs are not included within this page count.

Proposals will be assessed via a standardised scoring matrix used by Climate-KIC for all its external commissions.

Contact Person:

Please submit your application to Richard Barker, richard.barker@climate-kic.org by 1700 GMT on the 9th June 2017. We anticipate making a quick decision in order to achieve an early start to the project.

If you have any questions, please do not hesitate to get in touch.