Kenya Climate Innovation Center

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COMMUNICATION ON ENGAGEMENT

2016 - 2018

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KENYA CLIMATE INNOVATION CENTER

COMMUNICATION ON ENGAGEMENT REPORT

2018

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Statement from the CEO

Kenya Climate Innovation Center (KCIC) is proud to continue its engagement and full support of the UN Global Compact (UNGC) and its ten principles. As an incubator for sustainable entrepreneurship, KCIC is committed to supporting the advancement of these principles which address human rights, labor, environment and anti-corruption, and we are committed to conveying information and supporting our clients, partners, community stakeholders through our events, initiatives, and operations.

This report aims to summarize our progress and efforts in advancing sustainability in Kenya and beyond. Our ambition around the Global Goals is only set to increase with the establishment of KCIC Sustainability Initiative which aims to promote sustainability through its five units: Awareness unit, Capacity building, Research, Community of practice, and Projects. Because this is our first report on Communication on Engagement, we have opted to provide a summary of our activities and outreach since inception, illustrating that our commitment to the UNGC principles dates back even further than our formal participation to the UNGC.

KCIC continues to participate in activities and initiatives of the UNGC where feasible through the local Global Compact Kenya Network and through our professional and community awareness and outreach. In line with our own principles, we believe the Sustainable Development Goals promise significant economic rewards for companies that invest in delivering innovative solutions and transformative change in this era of accelerated demand for sustainable products and services.

But our work goes beyond supporting climate entrepreneurship to the core of what makes a sustainable Kenyan economy. We also address key fundamentals that influence corporate sustainability practices and stakeholder behavior on a wide array of sustainability issues — such as governance, capacity building, integration, networking and research. We made significant progress in these areas — from the release of a groundbreaking report to enhancing youth engagement on sustainability issues, to catalyzing small and medium-sized enterprises role in sustainability, to our success in boosting awareness of SDGs and driving proactive collaboration with partners to advance sustainability.

Looking ahead, we know that the launch of our sustainability initiative is just a start and that much work remains. We are therefore inspired to work harder to inspire our peers to emulate our actions, including through audacity in challenging existing business practice and what is perceived to be possible. In doing so, KCIC will enhance its potential to transform further the way in which business is done beyond the boundaries of the organization.

Yours Sincerely,

Edward Mungai
CEO, Kenya Climate Innovation Center

About KCIC

Kenya Climate Innovation Center (KCIC) is an incubator that supports clean-technology entrepreneurs to commercialize and scale innovative and locally relevant climate solutions to address the effects of climate change. KCIC's overall objective is to support green growth through strengthened domestic capacity and financing for the transfer, development, and deployment of innovative climate solutions.

KCIC provides incubation, acceleration and financing services to Kenyan entrepreneurs and new ventures that are developing innovative solutions in energy, water, and agribusiness to address climate change challenges

Our Vision

"To be the one-stop shop supporting innovative climate change solutions in Kenya"

Through this vision, KCIC aspires to be a lead actor in the inspiration, development, and actualization of climate change solutions in Kenya. We aspire to attain this status by providing change-oriented interventions to the private sector for the adoption of climate-smart technologies and solutions.

Our Mission

"To provide incubation, financing, and awareness that empowers the private sector to deliver innovative climate change solutions"

This mission summarizes the interventions we intend to undertake to achieve the vision above. The mission statement is inspired by some of our institutional strengths which are quality service provision to the private sector in Kenya.

Our Values

Our values are the foundation of a positive culture that support the attainment of our vision and mission to deliver on our strategy and beyond and are reflected in the following ideals.

- Professionalism
- Innovation
- Client Focus
- Teamwork
- Dynamism

KCIC has incubated 210 SMEs since launch

Kenya Climate Innovation Center registered as a company in January 2015

Governance: Board of governors – 9 members from consortium, private sector & government

Funding EMBASSY OF DENMARK DANIDA

Thematic Areas
- Renewable Energy
- Agribusiness
- Water

ADVISORY SERVICES

FINANCING

ACCESS TO FACILITIES

ACCESS TO INFORMATION

ENABLING ENVIRONMENT

Number of IPs registered - **16**

Percentage Growth in revenue – **33%**

Number of Active Partnerships - **42**

USD **+40 million** leveraged funds

Actions to Promote the UN Global Compact Agenda

Action I: Catalyst for Sustainable Entrepreneurship

KCIC provides incubation services, provision of proof of concept, grants and seed funding with the purpose of scaling up innovations, and supporting climate mitigation and adaptation to allow locally adopted solutions to be scaled up and become sustainable and profitable businesses creating jobs. The projects undertaken at KCIC incubation center include:

- **Green Tech Incubator Program**

KCIC runs a 12-month Incubator program targeted at start-ups and early stage enterprises that have, as a minimum, a prototype. The program begins March of every year to February of the following year.

- **Green Tech Accelerator Program**

The 6-month accelerator program is targeted at clients graduating from the KCIC Incubator Program. The program is geared to having more businesses have their products in the market. The businesses under the accelerator program receive business advisory support which includes; refinement of business models, creation of structures and systems as well as support to access technical facilities. The program runs from April to October of every year with typically about 25 clients.

- **Kenya Climate Ventures (KCV)**

The investment management company was launched in 2016 as a subsidiary of Kenya Climate Innovation Center seeking to accelerate the development of the clean-tech industry as a whole by providing much needed tailored and targeted financial and managerial assistance support to innovative early-stage businesses. KCV seeks to invest in businesses that have relevant products or services, sustainable competitive advantage, good management teams and ethical business practices.

- **Ensuring Gender Parity in Climate Entrepreneurship**

KCIC to pursue its strategic objective while embracing an inclusive and gender-balanced strategy, with an increased focus on climate adaptation and mitigation. KCIC has an active policy targeting over 30% of all its engaged clients are from either gender.

KCIC has developed a number of knowledge products that are used for the purposes of communicating experiences and work that KCIC is involved in. The products cuts across mainstream media and social media and print media

- **Knowledge Products**

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KCIC issues a quarterly Live Green Magazine, a publication that aims to provide information on innovations that address climate change. The magazine also provides insight on changing trends in renewable energy, water management, and agribusiness. KCIC issues E-Alerts twice in a month covering trends and innovation undertaken by KCIC clients.

Action II: Promoting the Mainstreaming of Sustainability Agenda in organizations' Strategies in Kenya

The sustainability initiative at KCIC aims at awareness creation and help in mainstreaming of Sustainable Development Goals in Kenya. The capacity building initiative exists to equip decision makers, policy makers and managers with the relevant skills to deliver institutional value through sustainable strategies.

The sustainability initiative implements projects along five pillars: Awareness creation, capacity building, and community of practice, think tank and project management.

Action III: Partnerships & Events

a. Strathmore University Partnership

KCIC is in partnership with Strathmore University to create more awareness on our activities within the University and work on joint programs which seek to influence climate-related issues. In 2016, KCIC partnered with the Strathmore Energy Research Center (SERC) in organizing a symposium on climate change and drought resilience. The conference brought together local and international scholars to present and discuss innovative solutions to climate change adaptation with a focus on drought resilience.

b. Climate Launch Pad Partnership

KCIC partnered with Climate Launch Pad (Climate KIC); the world's largest green business ideas competition to promote the Climate Launch Pad Competition whose mission is unlocking the world's cleantech potential that addresses climate change. The competition supports innovative ideas across renewable energy, a sustainable transition in the food chain, a mind shift in urban mobility or any other way to tackle climate change.

c. Kenya Vision 2030 Secretariat

KCIC is engaged in mainstreaming SDGs and climate change in Kenya Vision 2030 Medium Term Plan III (2018-2022). KCIC was recognized as one of the institutions that have been supporting innovations in cleantech. KCIC was recognized as the official implementing agency of the initiative "Promote Climate Technologies and Innovation" under the programs and projects for MTP III.

d. Nairobi Innovation Week

KCIC sponsored the 2017 annual Nairobi Innovation Week, an event hosted by The University of Nairobi and brings together different stakeholders and innovators from across the country to profile different innovations. KCIC was also a member of the steering committee that planned the 2018 Nairobi Innovation Week.

e. Climate Technology Program (CTP)

The program brought together 9 climate innovations centers across the world for the annual networking event. The forum was convened to allow networking across the centers to enhance learning amongst the peers. The event coincided with the annual Sankalp forum that attracted more than 900 attendees and provided an ideal networking space for entrepreneurs and investors. Fifteen KCIC clients attended, out of which 13 exhibited their products.

f. Africa Finance and Investment Forum

KCIC participated in the Africa Finance and Investment Forum held at Strathmore University. The event was themed "Entrepreneurship and Innovation for Growth". The aim of the event was to encourage entrepreneurship, promote the growth of SME's and attract the right investment in Africa.

g. Hackathon Themed Innovate for Climate

In conjunction with iHub and Oracle, KCIC participated in a Hackathon Themed Innovate for Climate. A hackathon is a design sprint-like event in which computer programmers collaborate intensively on software projects, occasionally, there is a hardware component as well. The aim of the hackathon was to have ideal working solutions in form of applications developed in the climate change space.

h. Big Shift Campaign / Christian Aid

KCIC participated in the Big Shift Campaign in partnership with Christian Aid. The campaign advocates for a shift in investment in fossil fuels into low carbon development including renewable energy with the aim of providing clean energy to millions of people currently living with no access to electricity.

Action IV: Sustainability Research

In 2016 KCIC-IS conducted a research on public and private sector perception about sustainability in Kenya. The objective of the study was to investigate the public and private sectors perceptions about corporate sustainability practices and climate change issues. The data was collected throughout the month of August 2016. More than 1500 respondents across 8 Counties in Kenya participated in the survey and more than 200 business executives were interviewed.

Action V: Participation in Anti-Corruption Collective Action Road Map Development Workshop

At Kenya climate innovation center (KCIC), we believe in responsible business activities. Businesses that are responsible will not only factor in societal needs in its operations but also operate sustainably. The compelling power to communicate to the society and stakeholders on the issues of sustainability and how corruption undermines the effort is vital and hence the reason for taking part in the UN Global Compact workshop on validating Anti-corruption collective action and strengthening SMEs compliance to business code of ethics and bribery act of 2016.

Action VI: Establishment of a platform for youth driven actions for sustainability

In October 2017, KCIC Participated at the Strathmore University career fair where, over 300 students attended and showed interest in our contribution to sustainable development. Recently KCIC established WESUSTAIN- a youth-driven platform for sustainable development in Africa. We believe youth are laboratory for innovation as they have different skills and academic background required to develop new solutions to challenges facing African continent while building a better future for generations to come.

Measurement of outcomes

Action I: Catalyst for Sustainable Entrepreneurship

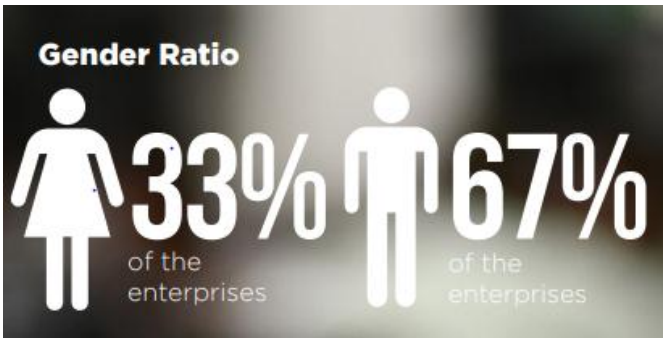
- **Incubation & Accelerator Programs**

The two programs above dedicate resources to the success of KCIC clients. Analysis of clients progress demonstrates that clients exceeded their targets significantly which demonstrates the significance of KCIC support in climate entrepreneurship.

- The inaugural cohort had 23 clients, all of whom were previously KCIC clients. 18 clients were graduated into KCIC's inaugural alumni cohort
- 73% percent of the enterprises KCIC are making revenues from sale of products.

- **Gender Parity**

Across the three KCIC sectors i.e. water management, agriculture and renewable energy more jobs were created in the agri-business with women taking more than 60% of the jobs created. For example, in the period between October and December 2017, a total of 194 jobs were created. Out of these, 76% were females while 24% were males



- Employment Creation

We are transforming Kenya…

359,478
No. of customers reached by supported enterprises

220,380
Number of people With improved access to clean energy

1,905
Green jobs created

148,799
Tones of CO_2 Mitigated

83
Number of businesses established, ventured the market and realizing revenue

$ 0.8 M
Revenues for KCIC services

113,118
No. of people accessing clean water

32%
Percentage increase in agricultural production

- **Knowledge Products**

In the period 2016-2017, we recorded 12 media appearances (online, television and newspapers). The media appearances recorded the work and support of KCIC to clients.

Action II: Promoting the Mainstreaming of Sustainability Agenda in organization's Strategies in Kenya

- Developed the sustainability plan for Kisumu Water and Sewerage Company.
- KCIC commissioned a "State of Sustainability in Kenya survey" which aimed to understand the level of awareness on sustainability issues in the country.
- Organized a breakfast meeting in partnership with the Danish Embassy which included over 30 participants drawn from the private sector to discuss the role of the private sector in spearheading sustainable development.
- KCIC Sustainability Initiative engaged 10 sustainability professionals drawn diverse sectors to discuss 'Emerging sustainability trends: 2017 and beyond.'

Action III: Partnerships

Climate Launch Pad

The call for application in Kenya attracted 0ver 67 applications and KCIC represented Kenya, the only African country enlisted under this program. In October 2017, three startups represented the continent at the international finals in Cyprus with one startup (Bio Alkanol) emerging as the finalist and securing Euros 10,000 seed capital. Consequently, KCIC is the African Lead Partner for the 2018 competition.

Big Shift Campaign / Christian Aid

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Africa Finance and Investment Forum

Supported two clients to participate and establish networks at the Africa Finance and Investment Forum held at Strathmore University.

Policy Advocacy

KCIC engaged in drafting two policy briefs covering legislative and institutional framework, the marketing models, opportunities, consumption and usage patterns.

Nairobi Innovation Week

KCIC was a key supporter of this event, and 2 KCIC clients exhibited their products at the event. A total of 6 clients were admitted.

Strathmore University Partnership

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Kenya Vision 2030 Secretariat

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Climate Technology Program (CTP)

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Action IV: Sustainability Research

There is a lack of knowledge regarding perceptions of climate change and sustainability issues; their participation in sustainable practices; and the barriers they face while incorporating sustainability in their activities. These findings will form a crucial foundation for providing information on the interactions between Kenyan stakeholders and the sustainability agenda. The report has been shared with 15 organizations and is available for download in the KCIC website.

Again considering the significance of corporate sustainability and climate change issues in Kenya, perceptions among the business managers and members of the public on these concepts need to be understood. This study, therefore, explores those perceptions to allow understanding and incorporation of their concerns and priorities in policy and practice while reflecting the reality they live in with an effort to achieve a sustainable prosperity in Kenya.

Action V: Participation in Anti-Corruption Collective Action Road Map Development Workshop

A draft SMEs toolkit that outlines how corruption related issues can be tackled in Kenya was developed. KCIC is using its social media platforms to sensitize the private sector about the SMEs toolkit.

Action VI: Establishment of a platform for youth driven actions for sustainability

More than 9,000 Kenyan youth has been registered in the WESUSTAIN platform. Wesustain has successfully launched an essay competition, environmental photography competition, and a Sustainable innovation platform for 17 SDGs.

9,000

Youth for Sustainability

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