Policy Brief 2



SUPPORTING EUROPEAN INNOVATION

Transforming innovations into sustainable businesses

While Europe generates world-class research and innovation, it transforms too few ideas into successful businesses. This costs Europe in terms of lost income and skilled jobs – and even more when those ideas could protect European citizens from climate-related disaster.

To counteract this, the BRIGAID Business Development Programme helps climate-related innovations reach the market by:

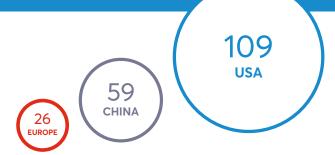
- Upskilling innovators so they can set up customer-centred businesses
- Helping innovators develop effective business plans
- Linking innovators, clients, funders, and investors
- Additionally, BRIGAID helps regional and local governments to implement EU policies on climate adaptation, flood protection, drought management, and sustainable finance

The Problem:

Too few climate adaptation innovations make it to market

Even though the EU generates a third of all top scientific publications, Europe is home to only 26 "Unicorn start-ups" (start-ups valued at over \$1 billion)¹. This means too few of the region's great ideas make it out of the lab to blossom into successful, scalable businesses – especially when compared to USA or China. This represents missed opportunities in terms of European jobs, income and competitiveness. These costs multiply when the innovative ideas left languishing in the lab could offer new, better ways to protect society from climate-related floods, fires, droughts, and extreme weather.

Climate-related disasters are already impacting Europe. In 2016 alone, they wreaked more than



Number of unicorn startups in Europe, China and USA

€20 billion of damage² - and these damages are forecasted to increase as our climate continues to change. In response, the EU is pledging essential public investment to trigger breakthrough discoveries in the field of climate change, and to ensure their uptake and exploitation³. The EU-funded project BRIGAID supports innovations that aim to reduce climate change impacts on our communities and increase their resilience to natural disasters. Through its Business Development Programme, BRIGAID is helping to exploit their potential. This has positive impacts for innovators, and it also supports local and regional governments deliver climate resilience.

Our contribution:

The BRIGAID Business Development Programme

BRIGAID has developed an integrated business support programme for climate innovators. We want to trigger change in European climate resilience innovation by supporting innovators and researchers to put business development and marketing concepts into practice. The goal is to increase their capacity to identify potential public and/or private paying customers, as well as to recognise actual market needs and incorporate these into their product development process.

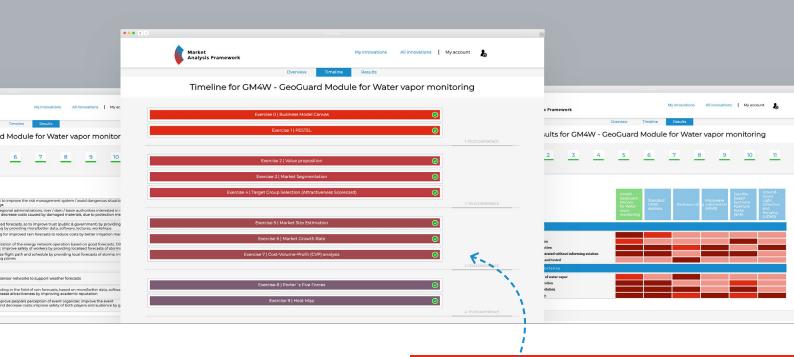
The approach is tested and proven – 21 climate adaptation innovations have received BRIGAID support, helping them to understand their market, revise their business plan, and link with clients and funders/investors. In this way, the BRIGAID Business Development Programme supports the needs of the innovators – and by doing so, supports the EU⁴. This approach also supports EU's regions and cities to lift their climate resilience.

Supporting local climate adaptation – and EU policy

The EU's cities and regions are ground zero for climate adaptation implementation, and recent reviews suggest they need additional support⁵. The BRIGAID Business Development Programme supports local climate adaptation and helps the EU Commission achieve innovation and other policy goals:

- \square
- Climate adaptation and disaster risk resilience: in its 2018 review of the EU Adaptation Strategy, the EU Commission identified that more local adaptation action was needed to achieve a "more climate-resilient Europe" 6. BRIGAID has helped develop implementable climate adaptation innovations: testing them, supporting business development, readying them for financing, and linking them with end-users. By identifying EU regions most at risk to climate disasters and most able to adapt, BRIGAID guides innovations to areas where they can best fight wildfires, avoid floods, and manage droughts or extreme weather boosting local impact and business survival.
- Sustainable finance: The BRIGAID Business Development Programme is developing a pipeline of early-stage climate adaptation innovations, who will be future targets for crowding-in private finance, and supporting the EU's reorientation of capital flows towards sustainable business. This includes green, nature-based solutions such as BlueBlogs.
- Flood protection and drought management: In 79% of river basins in Europe, a lack of financing is an obstacle to flood and drought prevention8 and this and other barriers mean the EU lacks adequate on-the-ground preparations.

 BRIGAID supports innovative, cost-effective solutions to floods and droughts (such as Tubebarrier and InfoSequia. BRIGAID also supports regional implementation through its nine regional Communities of Innovation, which link innovators to end-users (including River Basin Authorities), enabling collaborative innovation development that serves real societal needs.



BRIGAID support includes:

a) In-person business workshops and consultation:

The programme includes a 2-day business workshop and an in-person wrap up session. There, innovators work face-to-face with BRIGAID experts to assess their business, identify key challenges, opportunities, and gather personal feedback – as well as prepare pitches to sell their business and innovation in the real world.

b) Online collaboration through the Market-Analysis Framework (MAF+)

The MAF+ is an online assessment and decision-support system that helps innovators challenge their business idea and make strategic decisions around it. At its heart, it is a structured series of interactive business development exercises that enable innovators to define their market, recognize the key values of their innovation, identify opportunities, evaluate competitors, and conceive a suitable business model.

Climate adaptation and business experts from the BRIGAID consortium accompany the innovators every step of the way. Alongside succinct instructions and examples, BRIGAID experts provide insightful feedback through regular phone calls as well as direct feedback using the MAF+'s online review function. By the end of the assessment, the innovators have enhanced their business

MAF+ AVAILABLE TO ALL!

Anyone can use the MAF+, BRIGAID's online market assessment system, to develop or improve their business strategy.

All exercises have simple-to-follow instructions, tips, and examples - so any innovator can use it to upskill and improve their business.

Sign up for a free account at maf.brigaid.eu

skills and confidence and they are able to run an assessment independently. Through their user accounts they continue to have access to the portal, which allows them to run further iterations of the assessment and/or start a new one for a different business idea.

c) Attracting Public-Private Investment and Finance through business plans

BRIGAID helps innovators bridge the "valley of death" and link with investors and funders. Expert support – delivered via BRIGAID's Public-Private Investment and Financing model - helps innovators to enter this world of funding and finance. Innovators receive guidance and feedback so they can translate their MAF+ insights into a concrete business plan, ready to attract investment and grants. Innovators are also supported to advertise to clients through the BRIGAID shopfront-climateinnovationwindow.eu, which also acts as a first port of call for interested investors.

BRIGAID - Policy Brief 2 3

An innovator's experience (with the programme)



Dr. Eugenio Realini from GReD, a spin-off from the Politecnico di Milano, is an expert in global positioning systems and water vapour data, but before BRIGAID, he would not have described himself as a confident business person. Through the BRIGAID Business Development Programme, Eugenio developed the skills – and a business plan – to take his flash flood prevention innovation GM4W further along the road from idea to market.

With colleagues at GReD, Eugenio had developed the science behind their innovation called GM4W, however, they were struggling to develop a strategy for turning this idea into a successful business. "We were very aware that we come from a research, academic background," Eugenio explained, "it was clear that business development was an area where we needed support."

Eugenio found the in-person consulting from BRIGAID immediately beneficial. "Brainstorming at the workshop was great – we identified lots of additional potential clients," he said, describing the opening 2-day business workshop as "intensive and interesting". Eugenio also reported that he learned a lot from the Market Analysis Framework tool, "the MAF+ was challenging but well-guided by BRIGAID consultants, plus the tool was user-friendly and easy to interact with."

For Eugenio, the BRIGAID Business Development Programme increased his business confidence and ability to communicate the value of GM4W to clients. "I learned a lot – generally, it was really beneficial to get the training," he reflected, "it is more natural for me now to see things from the potential customer's view, and to focus during short conversations with clients on things that will capture their interests". The process also had concrete results. Along with drafting a business plan that sets the strategic direction of GM4W, Eugenio reports that BRIGAID support in identifying target market segments and quantifying potential market sizes, "changed our perception of where we should start and where we should go next".

Overall, Eugenio recommended the BRIGAID Programme, "it cleared up our ideas about what it means to do business development". When asked to describe its impact on his business skills and confidence, Eugenio concluded that, "on a scale of 0-10, the BRIGAID Business Development Programme moved me from a 0 to a 7".



GM4W - AN INNOVATIVE WAY TO PREDICT HEAVY RAINFALL EVENTS

GM4W uses low-cost global positioning receivers to gather continuous, local-level water vapour data that can predict heavy rainfall events, which are expected to increase in occurrence, severity and damage as Europe's climate warms. GM4W can improve local weather forecasts and even help avoid flash floods and associated damage and deaths – at a low cost.

More info on GM4W and contact details can be found on the **BRIGAID Climate Innovation Window**.

BRIGAID - Policy Brief 2

How does BRIGAID support innovators to develop their ideas into sustainable businesses?

The BRIGAID Business Development Programme supports European innovation by:

1 Upskilling innovators in the art of customercentred business.

(2) Helping innovators develop agile business plans that they can immediately deploy to find financing and customers.

Intake questionaire

BRIGAID Business Development Programme - steps

Quick Scan

Business workshop

MAF+ assessment

Business plan draft

Public-Private Investment and Financing Support



BRIGAID - Consolidating European Innovation

As demonstrated by Eugenio's story, the BRIGAID approach – particularly the business workshops and the MAF+ assessment – supports innovators to transform their ideas into successful businesses, mitigating the damages from climate change and growing European jobs through sustainable innovation.

If you are a policy- or decision-maker focused on generating conditions to convert innovation into successful business, contact us for more information.

If you are an innovator who wants to develop a climate-related business, contact us for free business development support.

If you are an investor or funder looking for robust climate-related innovations, or a regional council or other potential client seeking innovative ways to avoid climate impacts, visit climateinnovationwindow.eu

BRIGAID - Policy Brief 2 5

- ¹ European Commission (2018) <u>A renewed agenda for Research and Innovation: Europe's chance to shape its future</u>
- ² European Environmental Agency (2019) <u>Economic losses from climate-related extremes in Europe</u>
- ³ European Commission (2018) <u>A renewed agenda for Research and Innovation Europe's chance to shape its future</u>
- ⁴ The BRIGAID approach aligns with EU Commissioner Moedas's announcement for €2 billion of EU innovation funding in 2019, "We must focus on the needs of the innovators, who are the ones who will generate jobs, strengthen our global competitiveness and improve our daily lives." European Commission (2019) Press Release: €2 billion to fast forward the creation of the European Innovation Council
- ⁵ Lukat et al. (2016) <u>Regional and Local Adaptation in the EU since the Adaptation of the EU Adaptation Strategy in 2013</u>. Report for EU Committee of the Regions
- ⁶ European Commission (2018) <u>European Commission (2018)</u> <u>Report on the implementation of the EU Strategy on adaptation to</u> climate change
- ⁷ BRIGAID (2017) Market Scoping Report
- ⁸ European Commission (2019) European Overview River Basin Management Plans



Contact details:

Gerardo Anzaldua: +49 30 86880-168 gerardo.anzaldua@ecologic.eu

Hugh McDonald: +49 30 86880-194 hugh.mcdonald@ecologic.eu

www.brigaid.eu

