Low Carbon Innovation Fund

Launch Event
27th September 2010
St John's Innovation Centre

Solutions for Business

Funded by government

Operated by

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund

Introduction

Stuart Evans, EEDA Board Member;
Chairman, Novacem and non-exec

EEDA
East of England Development Agency

Solutions for Business
Funded by government

PROJECT
PART-FINANCED BY
THE EUROPEAN UNION
European Regional
Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund

The Low Carbon Innovation Centre

Dr Simon Gerrard

Chief Technical Officer

Low Carbon Innovation Fund Launch

27th September 2010

LCIC
Low Carbon Innovation Centre
UEA University of East Anglia

Founding Activities

UEA University of East Anglia

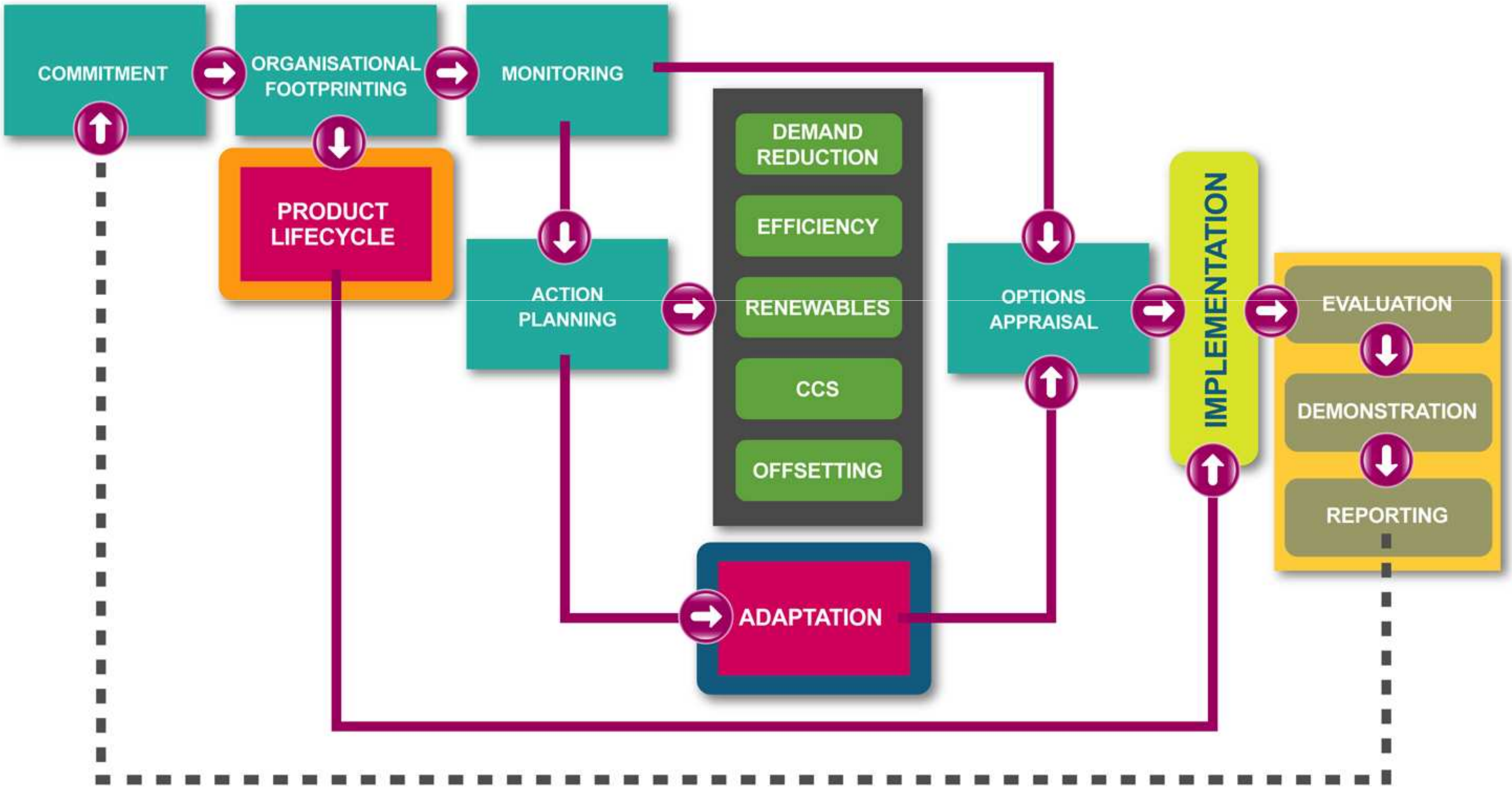
CRed carbon reduction

CARBON CO2NNECTIONS

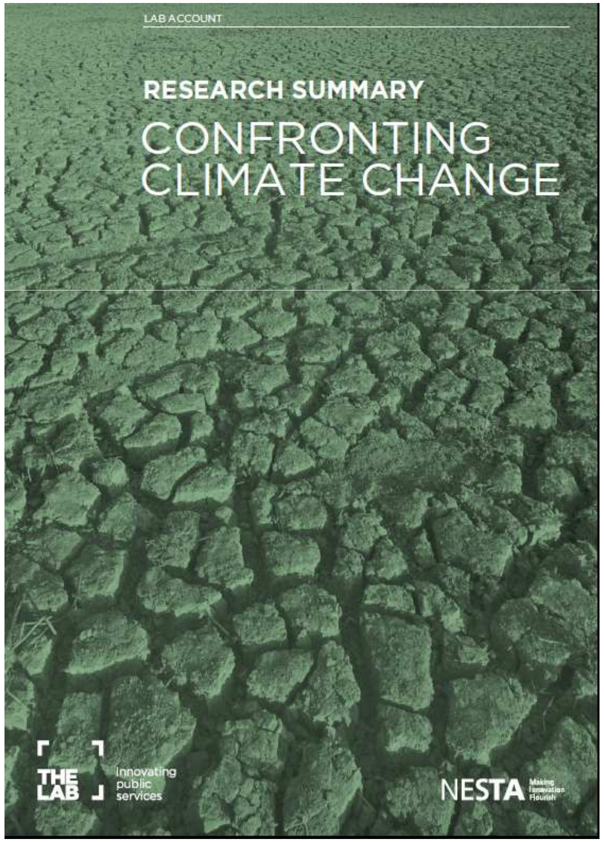
Getting organisations and people started

Finding new low carbon technologies & services

The Carbon Management Process



Innovation for Carbon Reduction



Insufficient levels of innovation to combat the challenge of climate change

Too many eggs in too few baskets

Too much focus on incremental efficiency gains; under-reliance on disruptive innovation

The Way Forward

- Broaden the range of possible solutions
- Think more disruptively
- Focus on technology and behaviour
- Improve the quality of evaluation

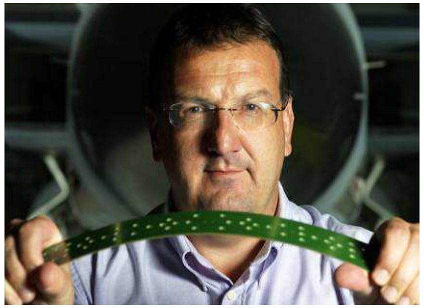
To work with the Low Carbon Innovation Centre on your project please contact info@lcic.com

or call 01603 591379

Thank you

EEDA
East of England Development Agency

European Union
European Regional Development Fund
Investing in your future



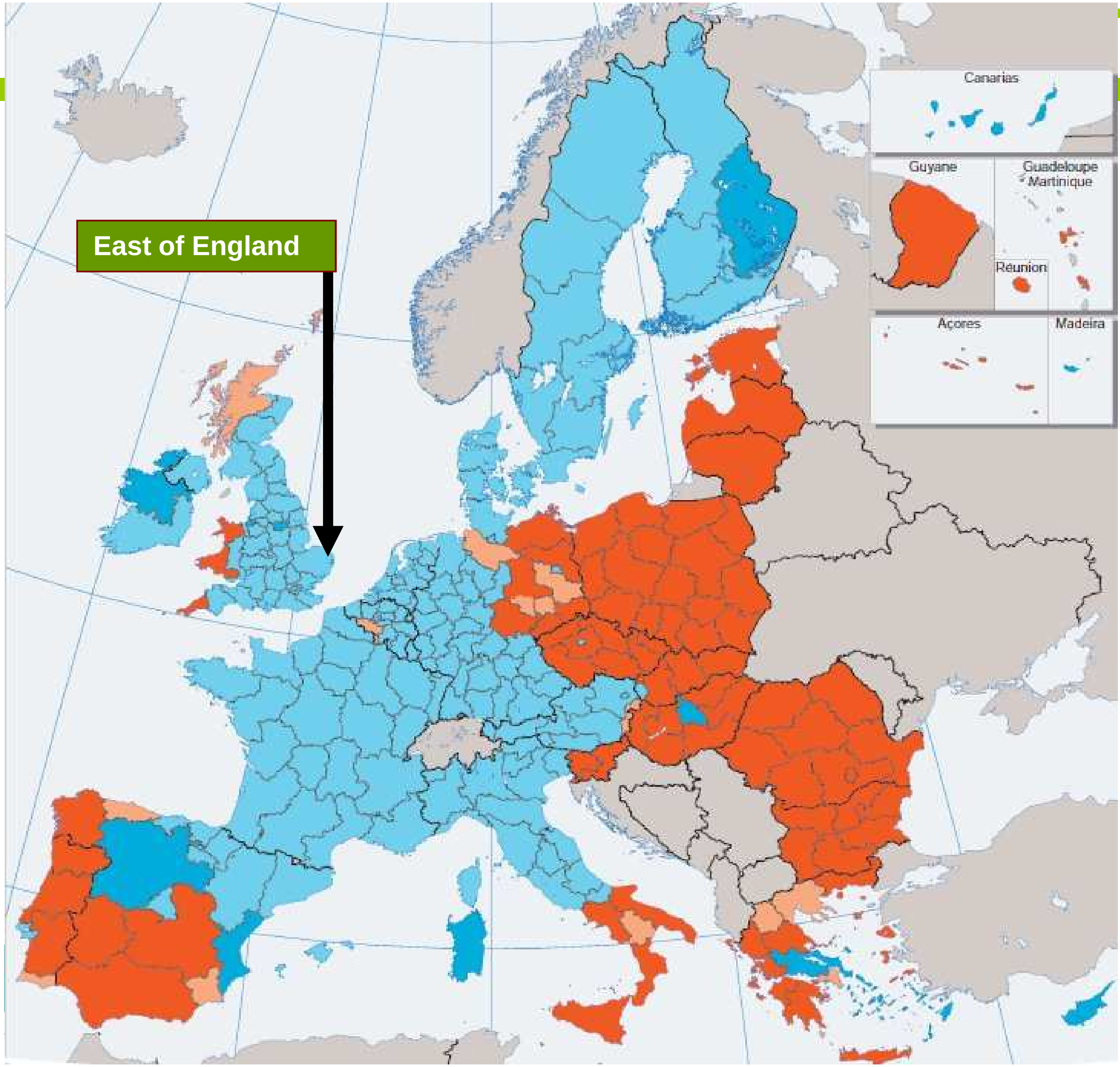
East of England European Regional Development Fund (ERDF) Competitiveness Programme 2007-13

Low Carbon Innovation Fund Launch

Andy Luff – Head of European Structural Fund Programmes
27th September 2010

ERDF
low carbon economic growth
in the East of England

EU Structural Funds



European Union
European Regional Development Fund
Investing in your future

EU Structural Funds

For the 2007-13 period, the UK has been allocated €10.6 billion in total: €2.9 billion under the Convergence objective, €7 billion under the Regional Competitiveness and Employment objective, and €722 million under the European Territorial Cooperation objective.

ERDF
low carbon economic growth in the East of England

European Union
European Regional Development Fund
Investing in your future

ERDF

low carbon economic growth in the East of England

EEDA
East of England Development Agency

ERDF
low carbon economic growth
in the East of England

ERDF Programme Strategy

European Union
European Regional Development Fund
Investing in your future

- Meaning of low carbon economic growth?
  - Broad definition intended…
    - ‘vertical’ lower carbon technologies
    - ‘horizontal’ lower carbon practices
  - Must have low carbon at the **heart** of the proposed activity
  - Must produce economic benefits

EEDA
East of England Development Agency

ERDF
low carbon economic growth in the East of England

Priorities and Funding Allocations

European Union
European Regional Development Fund
Investing in your future

Priority Axis 1

Innovation and knowledge transfer

€37.3m (£33.8m)

40% Intervention

Priority Axis 2

Stimulating enterprise & supporting business

€26.6m (£24.1m)

40% Intervention

Priority Axis 3

Sustainable development, production & consumption

€42.6m (£38.6m)

40% Intervention

Priority Axis 4 Technical Assistance €4.4m (£4.0m) 50% Intervention

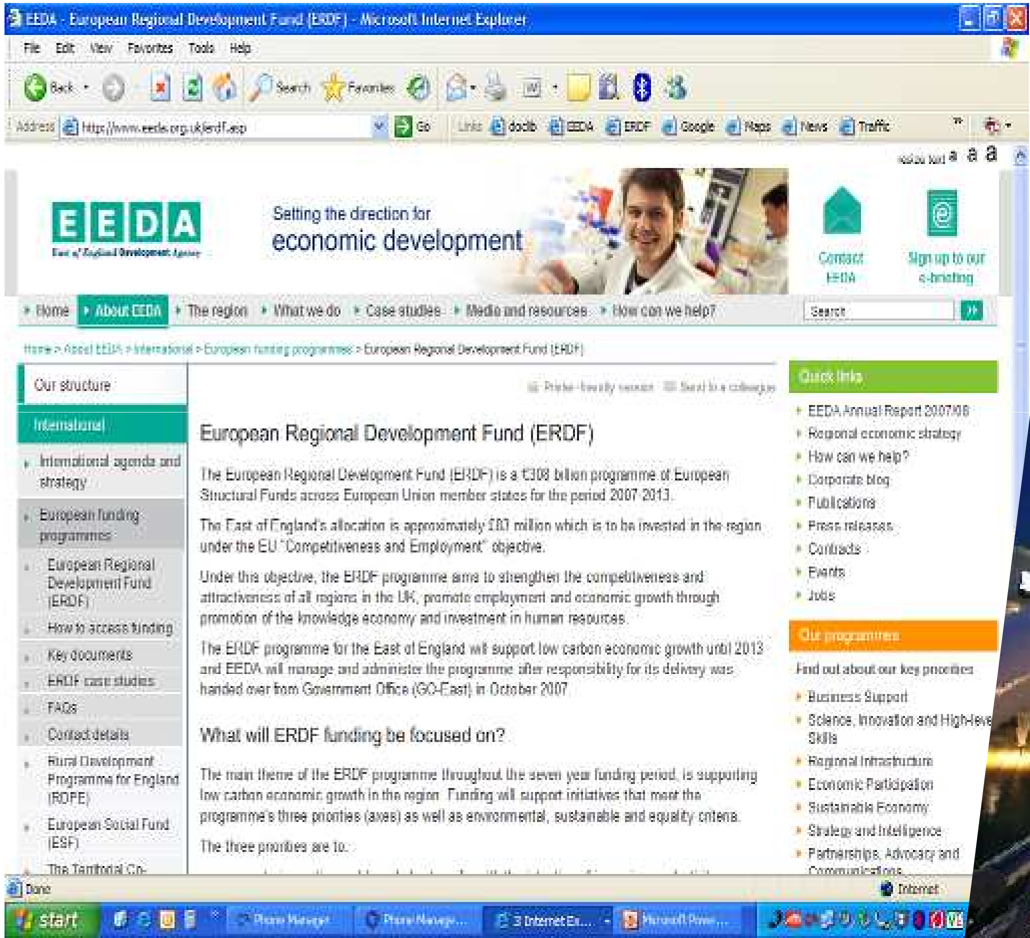
Total funding = €110.9 million (~£100.0m)

Matched by UK public and private sector

Programme value > €275.3 million (~£249.3m)

More information

European Union
European Regional Development Fund
Investing in your future



➔ www.eeda.org.uk/erdf

Low Carbon Innovation Fund

Chris Harrison, Director,
27th September 2010
St John's Innovation Centre

Solutions for Business

Funded by government

Operated by

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund

What is it?

> Early stage VC fund
> Primarily a co-investment fund
> Supported by £8m from ERDF
> Operating in the East of England
> Focussing on “low carbon”

Venture Capital

> Not a grant scheme

> Risk capital

> Equity / pseudo-equity and small amounts of debt finance (mezzanine)

> Terms from fund will be at least equal to private investors

Co-investment

- Investment from LCIF must be matched with private funds
- At the same time and *pari passu*
- Under the same investment agreement
- 40% from LCIF
- Raising private funds is part of the role of the Fund Manager

Solutions for Business
Funded by government

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund

Fund size and scope

> £8m from ERDF

> To be matched with at least £12m of private money

> Investments typically in £50k - £500k range (from LCIF)

Startups ✓

Early stage growth ✓

Already equity funded ✓

Follow-on ✓

Solutions for Business

Funded by government

PROJECT PART-FINANCED BY THE EUROPEAN UNION

European Regional Development Fund

Investing in your future

LCIF

Low Carbon Innovation Fund

East of England

Six counties of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk and the unitary authorities of Peterborough, Luton, Southend-on-Sea and Thurrock

> Investees must have all or some of operation in the Region or be relocating

Solutions for Business
Funded by government

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund

Low Carbon

> Producing low carbon products

> Supplying low carbon services

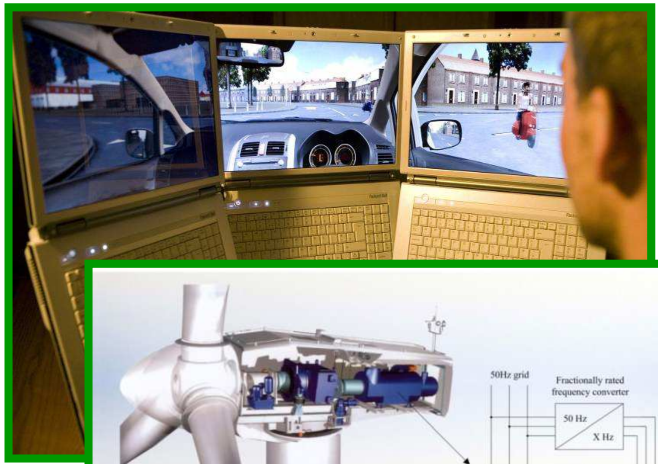
> Growth through investment in low carbon equipment or processes

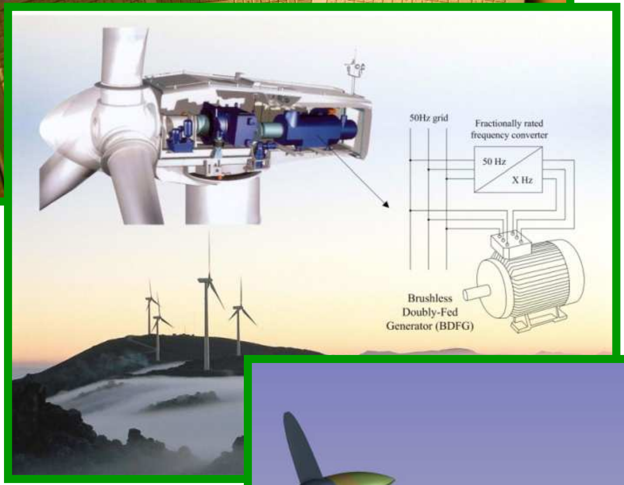
  > i.e. becoming low carbon in their operational activities

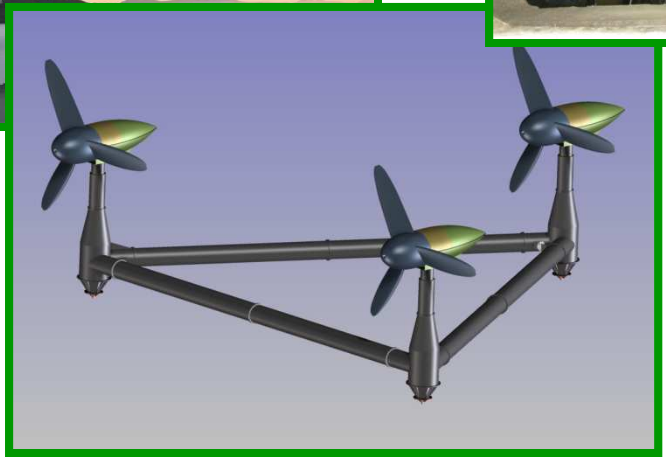
  > Developing alternative energy sources

  > Reducing existing carbon emissions

Examples







Solutions for Business

Funded by government

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund

Accessing the fund

Check eligibility
Website
Fund Manager
 - Turquoise
Fund Operator
 - UEA-LCIC

Supply basic information
Via website portal

Submit business plan
Begin discussions with Fund Manager

Formal review by Investment Committee

Raise co-investment
Fund Manager
Other arrangements

Receive investment
Comply with ongoing reporting requirements etc.

Login | Sign up

Solutions for Business

Funded by government

Low Carbon Innovation Fund

Home About Us Investment Criteria Portfolio Potential Investors Enquire Now

Welcome

The Low Carbon Innovation Fund (LCIF) is a European Regional Development Fund (ERDF) supported venture capital fund. It is seeded with £8m from the ERDF and matched with private sector investment and will run until December 2015.

The fund will make early-stage equity investments into small and medium sized enterprises ("SMEs") within the East of England that are developing new and innovative products or processes in a low carbon, environmentally sensitive manner.

The definition of low carbon companies also includes companies producing low carbon products, supplying low carbon services or companies seeking to invest in low carbon equipment or processes to become low carbon in their operational activities. This could include those developing alternative energy sources or reducing existing carbon emissions amongst others.

The fund enhances the regional aspiration to become a leading, world class low carbon economy. It builds on the 'Low Carbon Economic Growth' theme set out by the East of England Development Agency (EEDA) aiming to achieve economic growth built upon the region's low carbon expertise.

Turquoise International is managing the fund in partnership with the Low Carbon Innovation Centre (LCIC) at the University of East Anglia (UEA).

LCIF
Low Carbon Innovation Fund

Solutions for Business

Funded by government

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund

Solutions for Business
Funded by government

Low Carbon Innovation Fund

Home | About Us | Investment Criteria | Portfolio | Potential Investors | Enquire Now

Login

Email address

I'm a returning user and my password is

I'm a new user (Registration is current unavailable)

Login

The Low Carbon Innovation Fund is a wholly owned subsidiary of the University of East Anglia and is registered in England (no. 07072203)

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund

ERDF

EEDA

LCIC | UEA University of East Anglia

TURQUOISE International

Questions?

> Further information
  > www.lowcarbonfund.co.uk
  > www.lcic.com
  > www.turquoiseassociates.com

Thank you

Any questions?

Solutions for Business

Funded by government

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund
Investing in your future

LCIF
Low Carbon Innovation Fund