Call for Proposals:
Open call for Pilot Cities - NetZeroCities

Call Opens: 5 September 2022

Deadline: 4 November 2022, 23.59 CET

Publication Date: 4 July 2022

Please note: These Call Guidelines, published 4 July 2022, are draft guidelines intended for the NZC Pilot Cities Programme call launch on 5 September 2022. They will be updated between first publication and 5 September 2022 with additional information and requirements. Version notes will indicate where additional information and requirements have been included.

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Introduction to the Open call for Pilot Cities – NetZeroCities

1. Call Summary

This Open Call is for cities in EU Member States or Horizon 2020 Associated Countries who wish to undertake two-year, systems innovation-oriented pilot activities under the aegis of the **European Union (EU) Cities Mission,** supported *NetZeroCities* (NZC) project.

Supported through the range of services, knowledge, and expertise provided by the NZC Platform, **Pilot Cities** will commit to implementing a project within and/or across several city systems/emissions domains that tests pathways to decarbonisation and challenges/barriers to transformation and, ultimately, becoming a carbon-neutral city.

Pilot Cities will receive grant funding to support implementation of their experiment with an emphasis on collaboration, reflection, and learning, and identifying both barriers to change and opportunities for multi-level, multi-lever interventions to overcome these.

The grants will be funded under the umbrella of Horizon 2020, the 2014-2020 **Research and Innovation** (R&I) Framework Programme of the European Commission (EC). In 2020, the EC made €1 billion available under the Green Deal call - the last and biggest call under Horizon 2020. The European Commission's Green Deal (EGD) proposes a new growth strategy that aims to preserve the planet for future generations. It sets an ambitious target of a 50%-55% reduction of greenhouse gas (GHG) emissions by 2030. Seventy-three projects were selected for funding under the Green Deal call to contribute to the EU's response to the climate crisis and help protect Europe's unique ecosystems and biodiversity. NZC was awarded to support the progress towards climate neutrality by fostering climate-neutrality and social innovation in cities. Within the project, a budget of €32M is dedicated to cities to fulfil this objective.

1.1 Background

NZC is a four-year project designed to help cities overcome the current structural, institutional, and cultural barriers they face to achieve climate neutrality by 2030. NZC recognises the need for cities to develop specific strategies that are tailored to suit local and regional contexts, and will support them by developing, promoting, and integrating new and existing tools, resources, and expertise into a one-stop platform accessible to all cities through an online portal (*Mission Platform*). The project tailors advanced capabilities related to systemic change, citizen engagement and democratic, participatory governance, capital and financial structuring, and social innovation, to ensure cities have access to expertise needed to address their challenges in becoming climate-neutral.

The **NZC Mission Platform** provides support in the co-creation of Climate City Contracts with local stakeholders and citizens. Drawing up, signing, and implementing Climate City Contracts

is a central feature of the EU Mission on 100 Climate Neutral and Smart Cities by 2030. While not legally binding, these contracts constitute a clear and highly visible political commitment not just to the EC and the national and regional authorities, but also to their citizens. They set out plans for the city to achieve climate neutrality by 2030 and include an investment plan.

The **NZC Pilot Cities Programme** component of the NZC project will support large scale piloting activities to exploit, deploy, and scale R&I and systemic solutions combining social, cultural, technological, nature-based, regulatory, and financial innovation, and new business and governance models to underpin the climate transition.

For a more detailed introduction to NZC, the EU Cities Mission, and the systems innovation approach being undertaken in the NZC project and Pilot Cities Programme, please refer to the NZC Pilot Cities Guidebook.

We aim to issue full and complete Call Guidelines, however sometimes it is necessary to issue amendments to the Guidelines or make clarifications via additional guidance or Frequently-Asked-Questions. These important updates (if any) will be emailed to prospective and registered proponents and posted on the NZC Platform.

1.2 NZC Pilot Cities programme – How cities will work in and through the programme

The NZC Pilot Cities Programme will identify European cities or districts to test and implement innovative approaches, exploiting R&I towards rapid decarbonisation over a **two-year** pilot programme, working across thematic areas and functional silos in support of transforming systems. The selection of Pilot Cities will seek to address all urban systems, including mobility, energy systems, and the built environment, material and resource flows, health and well-being, natural areas, cultural/ social/ financial/ institutional systems, and accessible public spaces. Any one Pilot City might target all, or a combination of, these urban systems, depending on their context and the scale of the proposed pilot activities.

The **expected results** of the NZC Pilot Cities Programme are:
   i)   up to 30 innovative solutions or groups of solutions tested and implemented at city or district level over the duration of the Pilot Cities Programme,
   ii)   explicit lessons learnt from the innovative trajectories, with knowledge, capacity and capabilities developed at city level; and
   iii) a clear set of innovative solutions identified and ready to be implemented by the end of the Programme, which could include a new business model, policy initiative, governance innovation, funding or financing model, and EU-level replication or scaling strategy.

Cities or city-led partnerships selected to be an NZC Pilot City will receive pilot funding in the form of grants (following H2020 Grant Agreement rules for financial support to third parties specified in Article 6.1 and Article 15) and, in addition, hands-on assistance from City Guides to advance their work. Selected Pilot Cities will also receive support from Mission Platform services provided by the NZC consortium members or by external expertise, through a NZC City Expert Support Facility, to match specific challenges.

As cities and/or local communities participating in pilot activities work to leverage additional resources, the NZC Mission Platform will assist them in building funding and financing for full implementation and subsequent replication and scaling efforts.

Finally, numerous activities will be organised to advance learning among Pilot Cities, as a key component for building capabilities, replicating successful innovations, and deepening relationships. A twinning programme (City Learning Programme) will link each lead city with two or three twin cities from across EU Member States. The twinning effort aims at building inclusive participation in effective climate action, nurture just and inclusive transitions, and build social cohesion.

1.3   **Funding**

Under this call, there are three sizes of grants available to cities. Applicant cities should specify for which of the three they are applying. The NZC Consortium will aim to fund Pilot Cities of differing sizes and that reflect different starting points for cities, so as to reflect the diversity of contexts across the EU and maximise learning, replication, and scaling potential across the EU. This approach ensures an EU-level innovation and learning dimension (i.e., addressing challenges of/at European scale and potentially relevant for many cities to meet European policy objectives) is achieved by the platform, as it evolves over the course of the programme. A balanced representation of contexts is the most conducive means towards the EC Missions target of change at EU level, which goes beyond what can be achieved at the level of individual regions and nations.

The anticipated ratio of awards is as follows:
- o   12 grants of 1.5 million EUR,
- o   10 grants at 1.0 million EUR,
- o   8 grants at 0.5 million EUR.

Reflecting the diversity of cities and the proposed scope in combination of eligible activities that cities may undertake in the Pilot Cities Programme, the amount awarded will be determined by the grant request specified by the applicant and the budget/estimated costs corresponding to the proposed activities articulated in the proposal form (matching the grant request), in line with national and institutional policies, rules, practices. Please see *7.1 Cost category guidance* for further information.

The specific size and number of grants may change depending on the profile of proposals and ratio of grants requested by applicants; the NZC Consortium reserves the right to change the size and number of final awards based on submissions and grants requested, within the maximum grant budget envelope of thirty-two million Euros (€32M), paying close attention to the need for city diversity and the EU dimension (see section 8.3 of this document).

The above allocation framework is set to match the offer of grants with both the varied sizes of cities and/or districts across Europe and the planned activities of the project (as aligned to/with the eligible activity types). In the event resources are available based on the selection of an initial 30 Pilot Cities (i.e., if there is a higher profile of submissions for the lower amount), alternative arrangements may be made to extend the Call.

Payments to the Pilot Cities will be made in tranches to allow for monitoring of progress and to mitigate risks, with a foreseen 40% first tranche as pre-payment, 50% after the first reporting milestone and 10% final balancing payment after final reporting.

1.4 Who can apply

This call is open to cities based in EU Member states or Horizon 2020 Associated Countries[1]. The definition of the persons or categories of persons which may receive financial support are: local authorities or city administrations; other local partners, such as research institutions/universities, SMEs, NGOs/associations, citizen groups or other relevant stakeholders involved by the local authorities or city administrations in the implementation of their climate ambitions.

Eligibility requirements for the call include, but are not limited to, each proposal being led by the relevant local authority or city administration, and the presence of at least two legal entities (one of which must be the local authority or city administration), as part of the Pilot City consortium. Any city can apply, whether or not selected as one of the 100 Mission Cities (undertaking the Climate City Contract (CCC) process).

A group of cities (national or trans-national) is allowed to apply together, however one of the cities will have to be designated as the consortium leader for all administrative and process-related purposes. In the case of a group of cities applying together in one application, the size of the requested grant must follow the award amounts as stated above (1.3 Funding). The logic behind a joint application will need to be explained in the introductory section of the application form, and addressed in the subsequent, relevant sections of the form, particularly the impact section.

With reference to the eligibility criterion referring to a minimum of 50,000 inhabitants, for countries with a lower number of larger cities this population threshold is lowered to 10,000 inhabitants. This applies specifically to cities from countries with less than 5 cities of more than 100,000 inhabitants. However, each application should represent at least 50,000 inhabitants. Therefore, where applicable, joint applications are expected to fulfil this eligibility criterion. /*Please note: this eligibility criterion is currently awaiting formal confirmation and requisite representation in the amended NZC Grant Agreement H2020-LC-GD-2020 / H2020-LC-GD-2020-2. This will be finalised and confirmed by 5 September 2022 at the very latest.*/

In the case of a grouped application, please note that references to "city" in this document, and the associated Pilot Cities Programme Guidebook, will imply the group of cities or each city involved in that group.

For further information on eligibility, please see section 8.2 of this document.

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[1] Iceland, Norway, Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia, Turkey, Israel, Moldova, Switzerland, Faroe Islands, Ukraine, United Kingdom, Tunisia, Georgia, Armenia.

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2. Call Timeline

Date / Time (CET)	Item	Link (if applicable)
March 2022	**Early announcement of the call timeline on the NZC website**	NZC website
June 2022	**Publication: Guidebook for participants** A Pilot Cities Guidebook will be launched at the NZC Conference in June 2022, to support cities in preparing proposals for submission to the open Call. **Publication: Call Guidelines** The guidelines for the Call, including eligibility, assessment, and selection criteria, will be published both to the NZC website, Mission Portal, and EU Funding and Tenders Opportunities Portal, under the type of grants "Cascade Funding Calls"	NZC Platform EU Mission: Climate-Neutral and Smart Cities | European Commission Funding & tenders (europa.eu)
• **27 June 2022** • **4 July 2022** • **5 September 2022** • **tbc**	**Information sessions:** • NZC Pilot Cities Programme: Ambition, approach, application • NZC Pilot Cities Programme: Criteria for selection and the selection process • Technical information session • Open forum (to be scheduled ad hoc)	**Registration links** • 27 June 2022: • 4 July 2022: • 5 September 2022 (link tbc) • tbc
Monday 5 September 2022 (12.00 CEST)	**Call Opens** At 12.00 CEST hrs on Monday 5 September, the NZC Call, and Grant Management module will go live. Cities will be able to register themselves with the module through the NZC Mission portal and create a proposal with headline information. Cities will be able to save and return to this proposal at any time up until the submission deadline as stated below.	NZC Platform
June –October 2022	**Publication: Frequently Asked Questions (FAQs)** Between June and October 2022, a Frequently Asked Questions (FAQ) file will be created and updated.	NZC Platform
Friday 4 November 2022 (23.59 CET)	**Call deadline** Formal deadline for full submission. Proposals received after this date will not be accepted. No extensions can be granted and modification of your proposal after submission is not possible. We suggest setting your own internal deadline ahead of this date.	NZC Platform
November 2022 – January 2023	**Review and selection** Proposals will be checked against eligibility criteria (Stage 1) and eligible proposals reviewed by independent external experts (Stage 2). Proposals reaching a minimum scoring threshold against specified criteria will proceed to final selection (Stage 3). More information about these Stages can be found in section 8 of this document.	**N/A**
28 February 2023	**Decision Communication** Formal outcomes will be sent to applicants, along with feedback.	**tbc**
March 2023	**Contract development** Applications amended to address compliance and selection feedback. Due diligence checks, and finalisation of revised project plans.	**N/A**
March 2023	**Publication of Call outcomes and selected Pilot Cities** Parallel to the contracting process, a list of successful Pilot Cities will be published to the NZC Platform and disseminated through NZC communications channels. This will include a description to illustrate the portfolio selected.	NZC Platform

3.   What we are calling for

3.1   Aim

The aim of the selected cohort of circa 30 Pilot Cities and the City Learning Programme is to explore and test pathways to accelerated change towards 2030 climate neutrality goals — relevant to a city's key emission domains — and to generate accelerated learning that can inform subsequent replication and scaling efforts in all other EU cities.

Cities will aim to achieve breakthroughs in overcoming entrenched barriers in emissions reduction, driving towards "tipping points" in deploying a range of solutions relevant to the local context, and enabling accelerated mutual and peer learning both locally and across Europe.

The NZC Pilot Cities Programme will support piloting activities aiming at a larger scale to deploy and scale systemic solutions, exploiting R&I outcomes, and combining social, cultural, technological, nature-based, regulatory, and financial innovation and new business and governance models to underpin the climate transition.
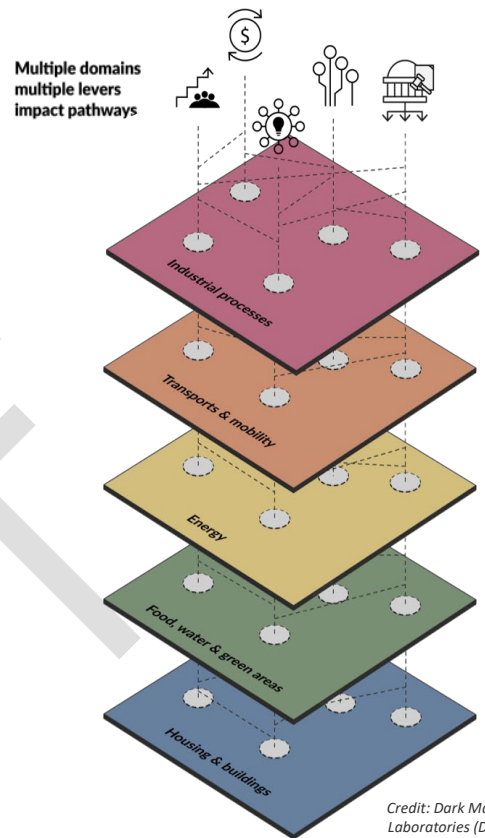
Selection of Pilot Cities will result in **multiple pilot-activity-types, each of which generates a different test of change and proves diverse types of pathways – as such, a cohort of diverse pilots.**

Multiple domains multiple levers impact pathways

Credit: Dark Matter Laboratories (DML)

3.2   Approach: Systems innovation

Climate action in cities needs a systemic approach to change. We cannot change things in isolated pilot activities but only through a systemic way of thinking and acting on how to reduce harmful emissions quickly and at the same time build capacity for a just transition.

That means that cities must address sources of emissions at a sectoral scale (e.g., mobility, industry, buildings, etc.), understanding them as 'transition building blocks' to be 'assembled' in an overall city-scale climate neutrality strategy. Different levers of change need to be activated simultaneously and in a coordinated way to enable change and achieve impact at sectoral or cross-sectoral level — political decisions that give a structure for changing cities, investments into change, regulation that triggers change, citizen engagement that demands change and technological, innovative, and holistic solutions that make implementation possible.

An approach integrating one or many emission sources (domains) combined with multi-lever action is an explicit requirement for Pilot Cities under NZC.

Therefore, in their applications, cities will need to identify:

- key emissions domains they will be addressing through the pilot activities
- systemic barriers related to these key emissions domains
- levers/enabling conditions (technology; business models and finance; regulation, governance and contracting; participative democracy and culture; organisational capacity, etc) and system intervention-points to be tested in pilot activities
- anticipated shorter- and longer-term impacts of their pilot activities implementation
- and how they intend to build upon relevant past or existing city climate action, research and innovation, related regional/national policies, knowledge and stakeholder platforms, and lessons to date.

In support of this, cities will also outline:

- their mandate to act (support and/or direct buy-in and contribution of decision makers, politicians, city/government departments, agencies, etc.)
- existing capabilities and capability gaps within the city government
- existing and intended (informal and formal) collaboration partners and coalitions of relevant stakeholders and actors.

This is not *only* about numbers of emissions reductions in/through the programme, but about the enabling system conditions, and complementary support impacts (cross system), to achieve the levels of decarbonisation required for net-zero by 2030. The change also needs to be sustainable, so this is about creating the conditions, vectors, learning opportunities and co-operative structures (trans-national, trans-continental) for change.

3.3   Scope of activities

The NZC Pilot Cities Programme will identify European cities or districts to test and implement innovative approaches, exploiting and building upon existing and past R&I towards rapid decarbonisation over a **two-year** pilot programme, working across thematic areas and functional silos in support of transforming systems.

Activities eligible for funding are:

- Pioneering activities to support climate-neutrality, including the deployment of innovative (new or improved) technology, product, process, service, solution, policy, or governance model at city level, explored in a cross-sectoral and systemic manner.

- Systemic, science-based innovative initiatives that strengthen cities' use of scientific research and ensure translation of research results into policy actions, to accelerate climate neutrality in the sectors/domains of water, food, energy, industry, housing and deep building retrofitting, transport, and mobility through the levers of green technology (i.e. digitalisation), behavioural/lifestyle change, social innovation, culture, policy and regulation, finance, and new business models (e.g., circular economy). These innovations shall account for co-benefits (e.g., health promotion) and the "Do No Significant Harm" (DNSH) principle.

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- Activities to support climate-neutrality to establish new knowledge and build capacity and capabilities of city government and associated local actors through training, workshops, and other forms of learning.

- Activities aiming to build more collaborative communities, to advance new governance models at city level, and to engage citizens (including vulnerable/marginalised groups) and enable them to act on climate change in a systemic and cross-sectoral manner.

Please note: Pilot activities may cover several or all of these descriptions of eligible activities: this list is not intended to limit your proposed activities to any one alone.

Applicants will be requested at the point of submitting a proposal to describe and declare the links between their pilot activities and the eligible activities as listed above. This will carry through to any subsequent grant agreement in order to ensure funding is spent in and on activities that are eligible under this call and the Horizon 2020 programme, respecting the applicable Articles of the AMGA.

4. Dissemination and Intellectual Property

As a general principle, NZC follows the requirements the General Data Protection Regulation (GDPR) and of the Open Research Data pilot of Horizon 2020. As such, the management of knowledge and data should be "as open as possible and as closed as necessary," "open" in order to foster reusability and to accelerate research, but at the same time should be "closed" to safeguard privacy and intellectual property. Therefore, our approach is open source by default. No foreground result, which can refer to data, concept, information, etc. generated via the implementation of the pilot activities, is in principle expected to be patented or subject to other protection measures.

Background (meaning know-how or information that is held by the beneficiaries before they accede to any subsequent Grant Agreement, and that is needed to implement the action or exploit results) can be protected when contracting with EIT Climate-KIC[2].

5. How to submit a proposal

To develop a good quality proposal to this call, you should run through this pre-submission checklist:

Checklist	
You have read this document carefully and started to think about how your pilot activities will be framed with respect to the Call for Proposals brief.	☐

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[2] EIT Climate-KIC is the NZC Project coordinator and cascade grant manager, responsible for programming, disbursing, and monitoring the cascade grant funding.

You have read the EU Cities Mission Implementation Plan and the Info Kit for Cities, and you have attended the information sessions to learn how to shape your proposal. For further information on these, please contact us at pilotcities@netzerocities.eu.	☐
You have read the NZC Pilot Cities Programme Guidebook, which contains useful information for developing your pilot activities and proposal, and further information about the NZC Pilot Cities Programme and its implementation.	☐
(Upon the launch of the Call window) Cities have registered both their organisation and individual account(s) in our grant management system through the Mission Portal. Registration processes can take 48 hours to approve – so do not leave it until the last minute! We encourage proponents to register in the system as soon as possible. Please ensure you have registered more than 5 days in advance of any deadline.	☐
[Optional] (Upon the launch of the Call window) You have created a proposal in the grant management system, providing high-level information about the proposed pilot activities (this is not assessed but will be useful for the NZC consortium to analyse registered proposals and their location, focus, etc.)	☐
All proposals should be written in English. Exceptions can be made for supporting documents, such as census source data, formal council resolutions – these documents could be written in one of the official languages spoken in the country from which the application is submitted. You may choose to provide a brief summary in English[3].	☐

If you have followed all the suggested steps above and wish to proceed, you should then complete the Full Proposal (according to the Call process) via the Mission Portal, by the specified deadline.

Applications must be submitted via the NZC Platform. The system will be open for applications from **12.00 CEST, 5 September 2022**.

Please note that we will not accept any applications outside of the system, **and please note the system will be locked after the deadline**. If you experience difficulties with the system, please consult the system guidance and, if you are still unable to resolve your issue then, for technical issues, please raise a support request through appropriate channels in the system. For all other non-technical related queries contact pilotcities@netzerocities.eu.

6. Data, systems, and complaints

6.1 Your Data

In Call and Grant Management System, all registrants are required to accept EIT Climate-KIC's General Terms and Conditions which also includes in particular, our Privacy Policy, Acceptable Use Policy and Cookie Policy and warrant and represent that they have the authority to agree and accept these on behalf of the named organisation. The public sharing of data may include, but is not limited to, EIT Climate-KIC making the outcome of this call for proposals available on its website in relation to: statistics on number of applications, per country, per thematic topics, budget, and funding (i.e., aggregated Call data). Information

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[3] EIT Climate-KIC reserves the right to request a translation at any time. EIT Climate-KIC also reserves the right not to pass additional information to reviewers if not provided in English or supported by a translation.

on each activity selected for funding, including data on each participant and abstracts of the activity proposal, may also be made available for publication purposes.

Personal data provided may be processed, including sharing with other organisations, by EIT Climate-KIC and certain sensitive data elements will be visible to other NZC Consortium partners. The applicant warrants and represents that in providing personal data in connection with the proposal, the data subjects have consented to the provision of this personal data and the processing of it by EIT Climate-KIC in the manner indicated in accordance with our Privacy Policy, and that the organisation provides the personal data in accordance with applicable law.

Applicants shall comply with applicable data protection legislation including but not limited to the General Data Protection Regulation (EU) 2016/679 (GDPR) and any national implementing laws, regulations, and secondary legislation, in each case as amended, supplemented or replaced from time to time.

6.2 Confidentiality

EIT Climate-KIC will treat your proposal confidentially, as well as any related information, data and documents received in accordance with our Privacy Policy or as otherwise indicated throughout the proposal form (i.e., city name, project title, summary description etc.), subject to the above paragraph (Your Data).

Please note, NZC Consortium members will not be able to discuss in detail or contribute directly to the development of your proposal.

6.3 Complaints & Appeals

Upon reception of the decision communication letter with the evaluation report or with the results of the eligibility review, the lead applicant may request for eligibility or evaluation review, if there is an indication that the results of the eligibility checks were incorrect or that there has been a procedural shortcoming or a manifest error in the evaluation process.

The evaluation review procedure is not meant to call into question the judgement made by the independent external reviewers or the selection committee. It will look into procedural shortcomings and – if it applies – into factual errors. The decision communication letter will specify a deadline for the receipt of any such requests, which will be 10 calendar days from the date of receiving the decision communication letter. A decision communication letter is considered to have been received by the lead applicant 5 calendar days after sending.

An acknowledgement of receipt will be sent by the NZC Pilot Cities Team no later than 10 calendar days after the deadline for submitting the request, indicating the estimated date of a final reply.

Request must be:
- related to the evaluation process or eligibility checks, including a clear description of the grounds for complaint;
- received within the time limit specified in the information letter;
- sent by the lead applicant.

Requests that do not meet the above-mentioned conditions will not be admitted.

Should the applicants want to raise a complaint, they will need to email to the NZC Pilot Cities team at pilotcities@netzerocities.eu. EIT Climate-KIC maintains an independent and fair assessment procedure to avoid potential conflicts of interest and ensure fair treatment among applicants.

7. Budget requirements

7.1 Cost category guidance

Information and guidance on eligible cost categories for the NZC Pilot Cities Programme will be published by the opening of the Call on 5 September 2022.

It is anticipated that eligible costs will cover **direct costs:** personnel; travel and subsistence, equipment, other goods and services (purchase costs); and subcontracting – following applicable H2020 Model Grant Agreement Articles 6.1 and 15.

Forms of Costs
Costs actually incurred, identifiable and verifiable, recorded in the accounts, etc. Only **indirect costs** are based on a flat rate – 25% – calculated on the direct costs (personnel and purchase costs only; subcontracting costs do not attract overheads), and no supporting evidence is needed to verify them.

More information on the eligible costs for the Pilot Cities Programme will be published in **NZC PCP Financial Guidelines for Applicants,** by the Call opening on 5 September 2022. These guidelines will provide the framework to prepare the budget to ensure value for money and proportionate budgets as related to planned activities. Budgeted costs should align with national and institutional policies and practices. Such assessment would take place prior to any grant allocation and may result in the adjustment of grant allocation where there is assessed to be misalignment or where financial guidelines are not followed.

Form of grant
Financial support is provided in the form of grants based on, and reimbursed against, actual costs incurred and submitted in interim and final reporting.

The criterion for determining the exact financial support is based upon estimated costs (based on the guidelines provided) and in relation to the activities proposed (i.e. budget assumption), in line with national and institutional policies, rules, and practices.

7.2 NZC Pilot Cities Programme: special budget features

Considering the specificity of the NZC Pilot Cities programme, including the features focussing on a large learning programme addressing pan-EU pathways to change and decarbonisation, and the development of skills and capabilities in addressing financial sustainability of climate action, the following activities should be represented by person months/necessary resources in your application:

Activity	Scope
Sensemaking	Sensemaking and cross-fertilization activities task will require the appointment of a systemic innovation focal point of the city. The focal point will participate in the co-design of specific cross-fertilization activities (providing contrast and suggesting topics) and will also facilitate the participation of city officials and other relevant city stakeholders in those activities. The estimated person months for this activity during the Pilot Cities Programme is 4 to 5 person months, in addition to any consortium partner contributions.
Learning Activities (Including the Cities Learning Programme)	Learning Activities (including the Cities Learning Programme) consists of two or three mentoring visits of two days to peer cities (plus preparation time), one meeting hosting peer cities for two days (plus preparation time), online work up to nine hours monthly, on average. This may also include consortium partners and city stakeholders as required.
Future financing /financial sustainability	Future financing / financial sustainability is a separate compulsory workstream to allow Pilot Cities (and in the case of a multi-city application, all cities) to acquire and test capabilities necessary to ensure the sustainability and the replication of their pilot activities. Estimated person months for this activity during the Pilot Cities Programme is 8 to 10 person months.
Communications and media activities	Communications and media activities – please make sure to include pilot activities in your communications and media programming. Beneficiaries must promote the action and its results, targeting multiple audiences (including the media and the public) in a strategic and effective manner; and ensure the visibility of the EU funding. This is a pass-through grant requirement for third parties and will be contained within subsequent grant agreements resulting from this call, including further information on obligations.
Financial management and audit	Grantees **claiming** over 430,000 EUR (direct and indirect costs) of EU grant funding during the course of the NZC Pilot Cities Programme will be required to undertake and provide certificate of a financial audit (i.e. Certificate of Financial Statement (CFS)).

8. Review Mechanism & Decision-making

8.1 Overview

This call will follow a three-stage process with each proposal being assessed for:

- **Stage 1: Eligibility** – where pass/fail requirements related to the conditions of the call are assessed by the NZC consortium. Proposals must pass all eligibility criteria to proceed to Stage 2.

  Stage 2: Assessment of quality – where a score (0 to 5) is made against the individual assessment criteria by at least two independent external reviewers based on the individual merits of the proposal. Proposals which reach the below threshold of points for **each** of the criteria groups (and the specified individual criteria identified in the table under section **8.3**) will proceed to stage 3. This threshold represents an overall outcome of "Good" across the grouped criteria as per the scoring table. The overall review score will carry forward to stage 3 as one of the selection criteria.

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- **Stage 3: Strategic selection** – where a selection committee will select 30 Pilots[4] Cities for implementation and grant funding support, based on a range of contextual selection criteria (as outlined below in section **8.4**).

All submissions will be assessed fairly and transparently in the scope of the eligibility criteria, assessment of quality criteria, and strategic programme considerations as outlined in section 8.4.

Decisions as to whether a proposal is accepted or rejected will be communicated as detailed in this document.

Potential conflicts of interest

In keeping with H2020 requirements, EIT Climate-KIC are committed to ensure no conflicts of interest in the assessment and selection process:

- **Stage 1**: EIT Climate-KIC persons involved in Stage 1 abide by the Conflicts of Interest & Gifts Policy and Anti-Fraud, Corruption & Bribery Policy and undergo periodic training to ensure processes are free from conflicts of interest. These policies are available at https://www.climate-kic.org/policies/
- **Stage 2**: Independent reviewers are appointed by EIT Climate-KIC ensuring confidentiality of review and freedom from conflicts of interest.
- **Stage 3**: The selection committee will confirm freedom from conflicts of interest prior to conducting Stage 3.

8.2 Stage 1 – Eligibility

Eligibility criteria are used to ensure proposals submitted under the call meet mandatory requirements as set out in the Grant Agreement [No.101036519 — NetZeroCities — H2020-LC-GD-2020 / H2020-LC-GD-2020-2] and, should they be successful in Stages 2 and 3, are subsequently eligible to receive funding. Eligibility criteria are typically pass/fail where proposals must pass on **all criteria**, otherwise they will not proceed to the next Stage of the process and be rejected from the call outright. The pass/fail eligibility criteria for this call are:

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[4] The NZC Consortium reserves the right to adjust the number of pilots funded based on the profile of applications received and funding requests made.

#	Eligibility criterion	How demonstrated	How assessed
1	Only one application may be submitted by an eligible city[5]/district[6] (and in the case of multi-city applications, each city may appear in only one application).	Proponent/consortium members listed in the Call platform, and their role(s).	Pass/fail
2	*Eligible cities/ districts must have a population size of over 50,000 inhabitants.* *For cities in countries with less than 5 cities of more than 100,000 inhabitants, this criterion may be met with a joint application of more cities, where each participating city has inhabitants of 10,000 or more, and the combination of cities must represent over 50,000 inhabitants.* *Please note: this eligibility criterion is currently awaiting formal confirmation and requisite representation in the amended NZC Grant Agreement H2020-LC-GD-2020 / H2020-LC-GD-2020-2. This will be finalised and confirmed by 5 September 2022 at the very latest.*	*As defined by the proponent and qualified by supporting national, regional, or European official documentation / database available for online checking (link required). For example: OECD, Eurostat, national census.*	*Pass/fail*
3	Cities/districts must be within either an EU Member state or an approved H2020 Associated Country, at the point of the submission deadline.	As compared with official, online EU/EC information at the time of submission.	Pass/fail
4	The consortium must contain at least two partnering organisations, one of which must be the city / district administration, and any others must be separate, independent (from the city) legal entities.	Proponent/consortium members listed in the Call platform, and their role(s). Note: due diligence will be undertaken post-selection to establish legal entities, as/where required.	Pass/fail
5	The application must be led by the city administration; in case of a district submission, it must be led by a city administration from within the specified district.	Proponent/consortium members listed in the Call platform, and their role(s).	Pass/fail
6	Letter of support from the city mayor (or equivalent) and/or any city official mandated to sign on the city/mayor/city council's behalf, for the NZC Pilot City Programme. In the case of a multi-city application, one letter must be provided for each city.	Letter of support included in application. A model template will be provided by the launch of the Call, 5 September 2022.	Pass/fail
7	Grant allocation balance: the maximum allocation of the total grant request per legal entity is two-thirds of the total grant requested.	Budget assumption submission, specified per consortium organisation.	Pass/fail
8	A list of stakeholders engaged/to be engaged are provided	Question in the Call Form requesting a list of engaged/to be engaged stakeholders.	Pass/fail

Please be mindful that applicants will be required to declare participation in the City Learning Programme ("Twinning" programme) at the point of submission.

Proposals must comply to the full set of the eligibility criteria. Proposals that fail the eligibility criteria will not be considered further in the process and applicants will be informed of the outcome. Due to the large volume of proposals and the nature of the criteria applied, EIT

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[5] defined as a Local Administrative Unit (LAU), or a "greater city" or metropolitan region.
[6] administrative sub-division of a city, with the authority to act on behalf of the local community

NET ZERO CITIES

Climate-KIC is not able to entertain modification to proposals that fail to meet eligibility criteria. Applicants are advised to pay careful attention to these criteria to avoid errors at this stage.

8.3 Stage 2 – Assessment

Assessment criteria

The assessment criteria for this call are set out below. Each criterion is scored, on a scale of 0 to 5, by at least two independent external experts. The score across all categories is totalled to produce a ranked list of proposals. The maximum available score is 115 points.

In order to proceed to **Stage 3 - Selection**, applications will need to meet minimum threshold score in each of the following three groupings of criteria, as follows:

Criteria grouping	Points available / number of criteria	Threshold required*
Mandate to Act	35pts / 7 criteria	21 (including **at least 6 pts** score against **"Understanding the problem"** and **at least 3 pts** score against **"Orienting to solutions"**)
Capacity to Act	35pts / 7 criteria	21 (including **at least 3 pts score against "Cross-cutting considerations"**)
Impact	45pts / 9 criteria	27

*EIT Climate-KIC reserves the right to adjust the threshold depending on the overall quality and number of applications received.

Scoring table

Score	Description
0	Proposal fails to address the criterion or cannot be assessed due to missing or incomplete information.
1	Poor. The criterion is inadequately addressed or there are serious inherent weaknesses.
2	Fair. The proposal broadly addresses the criterion, but there are significant weaknesses.
3	Good. The proposal addresses the criterion well, but a number of shortcomings are present.
4	Very good. The proposal addresses the criterion very well, but a small number of shortcomings are present.
5	Excellent. The proposal successfully addresses all relevant aspects of the criterion. Any shortcomings are minor.

	Criterion	Description
Mandate to Act	Net-zero carbon emissions ambition (5 points)	• The city is committed to climate neutrality by 2030 and has formalised evidence of this commitment (Mission City selected status, City Council Resolution, Strategy, or equivalent adopted by the City Council and/or) **(5 points for demonstrated, formalised 2030 ambition; 2 points for formalised ambition 2031-2050; 0 points for non-formalised ambition beyond 2050)**
	Mandate to Act (15 points)	• The pilot activities are well connected to the city's overarching vision for climate neutrality and existing activities that will support this. (5 points) • The pilot activities have a high level of political support and endorsement from the city (5 points), with a strong mandate for continued support through political will, city budgeting, and city programming. (5 points)
	Understanding the problem(s) (10 points)	• The pilot activities are focussed on relevant and important emissions domain(s) for the city, and the city's understanding of the emission domains' status quo is credible and - where available/applicable - backed up with data. (5 points)

		• The city has identified systemic barriers and/or opportunities relevant to the concerned emissions domains. (5 points)
	Orienting to innovative and systemic solutions (5 points)	• The pilot activities identify multiple, connected levers of/for change relevant to the concerned emissions domain(s) considering and exploiting relevant R&I solutions (and where relevant, inspired by and building upon existing European best practices and available solutions) and the city's overarching carbon neutrality ambition. Relevant entry / intervention points for the pilot activities to exploit the levers of change are identified, and the proposal explains how their interaction will target a system change / transformation, towards climate-neutrality. (5 points)
Capacity to Act	Collaboration and engagement (10 points)	• The pilot activities engage/aims to engage stakeholders that are relevant to these activities and emissions domain(s) concerned and representing a broad spectrum of expertise and experience. Roles of stakeholders are elaborated and an understanding of how the city will collaborate with them to implement pilot activities. (5 points) • Citizens are engaged at relevant stages of the pilot activities, and it is clear how their engagement will contribute to garner collective narrative and understanding of climate actions. Where relevant, the pilot activities describe how citizen engagement will contribute to the design and implementation of the pilot activities. (5 points)
	Cross-cutting considerations (5 points)	• The Pilot City proposal demonstrates awareness of how its activities and/or outcomes relate to and cater for cross-cutting themes such as diversity, inclusion, gender dimension, accessibility, and a just transition. The pilot activities outline a practical and proportionate approach to how it will monitor and evaluate how such considerations are treated in the implementation of the pilot activities. (5 points)
	Capacity and capability (10 points)	• The proposal details how the pilot activities will be led and coordinated by the city, with representation from relevant city departments, roles, and capabilities, as they relate to the pilot activities and their implementation. (5 points) • The proposal identifies, through a learning assessment plan, how it intends to address capability and capacity needs throughout implementation and retain these beyond the life of the Programme. (5 points)
	Soundness of work plan (10 points)	• The proposed work plan to implement the pilot activities, within the allocated timeframe and budget, is sound and coherent with a systemic approach. Where a pilot cannot be fully implemented with the provided grant, a coherent plan is demonstrated for identifying and securing additional resources (by the city or co-financers) to fully implement the pilot within 24 months. (5 points) • The proposed budget is clearly outlined and justified and reflects value for money. (5 points)
Impact	Pilot activities' (learning / reflexive) governance (10 points)	• The proposed governance model fosters transparency and accountability, actively contributes to the implementation of the pilot activities, and engages a diverse range of relevant participants with appropriate roles. (5 points) • Governance activities support and promote learning and reflection, to drive development and improvement of pilot activities. (5 points)

	Pilot activities' direct impact and scalability (20 points)	• Relevant indicators have been identified for the pilot activities for intended outcomes and impact, with appropriate monitoring of indicators (including how to measure). (5 points) • The proposal outlines substantive, direct impact it aims to have on city-level emissions, as a proportion of the city's overall emissions profile. (5 points) • The proposal outlines how the pilot activities could be scaled, and the impact scaling would have (at intervals/over time) upon city-wide carbon emissions. (5 points) • The proposal outlines how learning in and though the pilot activities will be captured and disseminated to support potential transferability and/or replication to other cities across the EU. (5 points)
	Pilot activities' indirect impact (15 points)	• A wide range of co-benefits of the pilot activities is identified and the link demonstrated, beyond the scope of direct implementation. (5 points) • The city has a vision for how their pilot activities will unlock the city's pathway to decarbonisation, across all emissions domains. (5 points) • The pilot activities identify appropriate risks related to both the practical implementation of the activities and the potential indirect impacts and outcomes (such as related to co-benefit factors), with adequate proposed mitigation and contingency measures. (5 points)

8.4 Stage 3 – Strategic Selection

A Selection Committee composed of two members of the Executive Committee, the Coordinator, and the potential addition of (an) external independent observer(s) (EC staff or external) will look for geographic diversity, a range of city sizes and typology, city-system and emissions domain foci, potential connections, synergies, and combinatorial learning and opportunities across Pilot Cities.

This stage constitutes a contextual judgement that considers and prioritises a portfolio of Pilots Cities. We regard all proposals that have passed the preceding Stage 2 as being of suitable quality and this subsequent stage instead focusses on the potential additional value that can be unlocked by supporting multiple Pilot Cities in parallel as part of a portfolio of experiments.

Strategic selection takes consideration of (in order):
- Geographic diversity and the "EU Dimension" [7]
- Diversity of city size
- Diversity of foci on emissions domains/barriers and of intended levers of/for change to be tested
- Score in quality assessment (see section **8.3 Stage 2 - Assessment**)

In the event of equal scoring in quality assessment (see section **8.3 Stage 2 - Assessment**) and strategic/portfolio value-add, the following parameters will be decisive:

- Priority will be given to those scoring highest in the grouped **Impact** criteria; and

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[7] "EU Dimension" refers to the relevance and synergies of City Pilots for EU policy and directives implementation (such as the EGD, the Climate Pact, the New European Bauhaus and the Horizon Europe climate-neutral cities Mission) and geographic diversity to ensure a proper balance between EU Member States (and H2020 Associated Countries).

- Where assessment results in applications with equal overall scores and equal scoring on impact, priority will be given to those scoring highest on **cross-cutting considerations, including gender dimension**.

Grant allocation across budget envelopes will be considered according to the information set out in section **1.3 Funding**.

8.5 Decision communication

EIT Climate-KIC will aim to communicate final outcomes to applicants by 28 February 2023. The final communication will indicate the grant allocation and state the cost eligibility period. This communication might include (if applicable) a set of recommendations/conditions. The granted funding may vary from the requested funding in the proposal. A list of selected projects with a description of the action, grant amounts and legal names of selected applicants and their country as well as date of the award and duration will be published on the NetZeroCities Platform. Contract development and signing processes are expected to continue into March 2023 as applicants respond to relevant compliance requirements and conditions for funding. EIT Climate-KIC aims to issue grant awards for signature between 6 March and (not later than) 31 May 2023, with the programme commencing from no later than 31 May 2023.