



**NET
ZERO
CITIES
SGA3-NZC**

Call for Proposals: NetZeroCities Enabling City Transformation 2 (NZC ECT2) Call guidelines

**Enabling, Scaling, and Sustaining
Transformation Pathways**

This document covers proposals for funding under Horizon Europe, Grant Agreement number:
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Disclaimer

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This call is being published on [EU Funding & Tenders Portal](#).

All amendments to these Call Guidelines, as well as any additional guidance and Frequently Asked Questions (FAQ), will be made available at [NetZeroCities website](#).

To stay informed on the latest developments, we encourage proponents to check the website regularly. Changes to these guidelines will be detailed in the above table.

Abbreviations and acronyms

Acronym	Description
CCC	Climate City Contract
CINEA	European Climate, Infrastructure and Environment Executive Agency
EC	European Commission
ECT	Enabling City Transformation
EU	European Union
FSTP	Financial Support to Third Parties
GA	Grant Agreement
GHG	Greenhouse Gas
HE	Horizon Europe
IF	Impact Framework
KPI	Key Performance Indicator
MEL	Monitoring, Evaluation and Learning
NBS	Nature-Based Solutions
NZC	NetZeroCities
PIC	Participant Identification Code
R&I	Research and Innovation
SME	Small and Medium-sized Enterprise
WP	Work package

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1 Call Summary

1.1 Purpose

This Call for proposals, to support the drastic cut down of greenhouse gas emissions and the achievement of ‘climate neutrality’, invites Mission Cities from the “100 Climate-Neutral and Smart Cities by 2030” to undertake a 22-month grant-supported programme centred around innovations that aim to overcome systemic implementation challenges in order to shift the dial from testing and experimentation to enable whole-city transformation and generate evidence fit for multi-city pan-European replication and adoption.

The Enabling City Transformation (ECT) programme supports Mission Cities to progress from experimentation toward whole-city transformation by strengthening the conditions for climate neutrality at scale. This second iteration (ECT2) expands the current portfolio of cities and interventions, allowing additional projects to activate enabling innovations and broaden the potential for practical, replicable learning at scale across Europe.

Reflecting the experiences and learnings from previous calls, the ECT2 call particularly seeks solutions that can translate enabling innovations into durable and policy-anchored delivery structures which will more likely generate sustained emissions reductions and EU-wide transformation.

1.2 Background

Following the Pilot Cities Programme and the Enabling City Transformation programme, ECT2 marks the latest NetZeroCities sub-granting opportunity for Mission Cities.

1.2.1 Pilot Cities Programme

The initial EU-funded NetZeroCities Pilot Cities Programme, delivered across three cohorts, supported Mission cities to test and implement innovative, cross-sectoral approaches to rapid decarbonisation through a two-year pilot framework. Pilot cities address multiple levers (such as governance, policy and regulation, finance or multi-stakeholder collaboration structures) within a key urban system (such as energy systems, (green) industry, circular economy, nature (NBS, biodiversity) or mobility and transport) taking a systemic, city or district-scale approach. Selected cities received funding alongside tailored support from City Advisors and NZC consortium partners to refine and deliver their pilots, while benefiting from shared learning and collaboration, including twinning with peer cities. Collectively, pilot city activities have formed a strategic portfolio of complementary experiments that generate actionable insights, strengthen city capabilities, and identify scalable and replicable solutions aligned with Climate City Contracts. The collective portfolio across 3 cohorts of the pilot cities programme includes 103 cities from 32 countries, split across 68 projects, accounting for 61.2 MEUR.

1.2.2 Enabling City Transformation

The first ECT programme was an 18-month EU-funded initiative, running from March 2025 to September 2026, designed to help Mission Cities overcome systemic barriers and move from exploration and experimentation to large-scale, city-wide transformation. It supported the implementation of innovative, scalable and replicable solutions aligned with (and complementary to) cities’ Climate City Contracts (CCCs), integrating technological, governance, regulatory, financial and cultural levers to accelerate decarbonisation across urban systems. The programme’s intended outcomes are the deployment of innovations at scale, strengthened city capacity and institutional capabilities, documented transferable lessons, and established collaboration and synergies across a cohort to advance the wider Mission goals. The selected cohort comprises 26 proposals representing 48 cities across 19 countries, with a collective grant allocation of 22.6 MEUR, spanning both single-city and multi-city interventions.

1.3 Shared Mission Implementation Barriers

ECT2 will expand the existing portfolio of whole-city transformation activities and interventions by focusing on implementation barriers shared by cities across the Mission. To this end, ECT2 is organised around six challenge areas (see Section 3.4). These challenge areas represent critical city-wide implementation barriers that currently prevent cities from translating Climate City Contract ambitions into replicable and scalable outcomes. Addressing them requires new governance models, delivery systems,

partnerships, investment approaches and implementation mechanisms capable of enabling transformation at the scale of the whole city. Applicants select one challenge area and propose interventions that remove or reduce the barriers diagnosed within that area. This intention reflects accumulated learnings that city progress is most often blocked by specific, diagnosable obstacles and that organising delivery around those obstacles produces faster and more durable progress than generic or topic-based support.

The shared implementation barriers identified within the 6 challenge areas are grounded in multiple sources, including: analysis of Mission Cities' Climate City Contracts (CCCs), related strategic challenge-specific documentation, a scan of relevant EU policy and funding context, and a landscape review of Horizon Europe and other EU-funded projects shaping priorities. They also draw on practitioner and thematic synthesis to ensure the framing reflects delivery realities and not only technical ambition. This evidence base demonstrates that the identified challenge areas are both real and widely shared.

1.4 Principles

The key principles driving this call include:

- Promote scaling and sustainability via knowledge harvesting, peer learning and replication
- Learn once, benefit all
- Inspire system transformation and accelerate change
- Best value for money

Best value for money means purchases and contracts during the programme will select the offer that provides the best balance of price and quality (or simply the lowest price, where appropriate), while ensuring:

- Transparency and equal treatment of potential suppliers
- An absolute absence of conflict of interest

Streamlined peer learning among cities is facilitated at regular intervals within the programme duration to foster collaborative impact. The main knowledge and insights generated by any project becomes an asset for the Mission, feeding our Knowledge Repository to ensure collective growth and to avoid repetition of past mistakes also after the programme has ended.

The key principles for the selection of proposals include:

- Transparency
- Fairness
- Impartiality

To protect against conflicts of interest, all evaluators and decision makers will abide by the Climate KIC's Conflicts of Interest & Gifts Policy and Anti-Fraud, Corruption & Bribery Policy.

2 Who Can Apply

2.1 Eligibility

Only local authorities or city administrations designated as EU Mission Cities in the "100 Climate-Neutral and Smart Cities by 2030" Mission are eligible to apply and receive funding under this Call. For the avoidance of doubt, this call is addressed to designated Mission cities only.

PLEASE NOTE: Administrations of a higher level of governance (i.e. a metropolis, region, or national/governmental departments) are eligible to participate as consortium partners where there is a formal governance link with the Mission City/cities leading or involved with the proposal, however do not themselves count towards the eligible Mission City count (i.e. as related to the prescribed budget envelopes and the number present in the proposal) unless the metropolis or region is itself the Mission City, formally.

Each proposal must be led by a relevant and eligible local authority or city administration.

2.2 Proposals Consortia

Each proposal will be presented by a consortium of at least two organisations (one being the administration of a Mission City).

Consortium partners are responsible for collectively contributing to a smooth and successful implementation of the subgrant.

A group of Mission Cities (national or trans-national) may apply together in a consortium. In that case, one of the Mission Cities will have to be designated as the consortium leader for all administrative and process-related purposes.

The size of the requested subgrant, as stated in paragraph 7.3 of this document, can vary depending on the number of Mission Cities included in the ECT2 consortium.

In a multi-city proposal, please note that references to “city” in this document, and any others directly associated to this call, will imply the group of cities or each city involved in that group.

Other organisations could also participate as members of a consortium led by a Mission City. These organisations could be, for example: research institutions, universities, SMEs, NGOs, associations, citizen groups or other relevant stakeholders involved in the implementation of the climate ambitions of a Mission City participating in the consortium. Please note: NZC Consortium Partners are not able to participate directly in applications and project consortia.

A consortium agreement which outlines the terms and conditions of collaboration between the consortium partners should be agreed upon and signed between the applicants before the signing the Award Agreement. We recommend using the [DESCA model agreement](#) for Horizon Europe.

3 What we are calling for

3.1 Strategic portfolio

ECT2 will select proposals to expand the strategic portfolio of city-wide transformation efforts, designed to produce results and adoption beyond individual cities and aligned to Mission-scale transformation and EU policy objectives.

The portfolio will prioritise proposals that bring innovative potential (presenting solutions that can generate new knowledge and possibilities and not merely execute consolidated approaches) and that generate transferable “how-to” assets supported by clear evidence and structured storytelling to enable uptake across the Mission. In other words, replication and institutional adoption will be considered as core outcomes, regardless of the chosen challenge area rather than optional learning benefits (see section 5.2 for programme level outcomes). Applicants are encouraged to signal openness to collaboration across the portfolio.

3.2 Challenge Approach

The ECT2 programme supports city-wide transformation via the deployment and scaling of enabling solutions.

The core shift introduced in this call is a move away from broad, domain-based support towards a **more focused model that organises action around clearly defined systemic barriers and bottlenecks**.

The challenge-based approach aims to:

- Fund support explicitly around diagnosed barriers shared by Mission Cities
- Identify the key impact pathways (what actually needs to change) and act upon these

This approach should:

- Better help committed cities achieve breakthroughs that can benefit the wider Cities Mission

- Enable stronger peer learning and collaboration between cities

ECT2 is designed as the logical continuation of the first ECT call (see 1.2) with a greater emphasis on what is blocking Mission Cities' transition, and where breakthroughs are most needed:

- 6 challenge areas have been included as part of the ECT2 call (see 3.4).
- For each of these challenge areas, impact pathways can be formulated to set out the progression from problem to impact.

All applicants must:

- Choose the challenge area that resonates most and anchor the rationale for intervention within this area.
- Within their chosen challenge area, formulate an adequate context-specific impact pathway following the impact framework. While the impact pathway describes how the proposed intervention is expected to create change, the Impact Framework provides the structure for how that change will be monitored, evidenced and reported.

With the intention that subsequent interventions delivered during the programme duration will:

- Confront key barriers in pertinent areas that are causing bottlenecks
- Produce transferable outputs, outcomes and lessons within a chosen challenge area that help cities (theirs and others) unblock constraints and create conditions to achieve long-term impacts

3.3 Impact Pathways

Impact pathways constitute the short- or medium-term outcomes unlocked through implementation and help cities progress from actions to long-term impacts and real-world transformation. The progression of a city along its impact pathways also highlights how systemic barriers are identified and tackled within a challenge area. These pathways begin with the projects' portfolio of activities and identification of key 'levers of change' (i.e. cross-cutting actions across multiple emission domains) and critical stakeholders as entry points towards larger systems change. The pathways are fundamental mechanisms of how results during the project implementation are produced, exploited or scaled to realise intended outcomes, and ultimately contribute to wider scientific, economic and societal impacts beyond the programme duration.

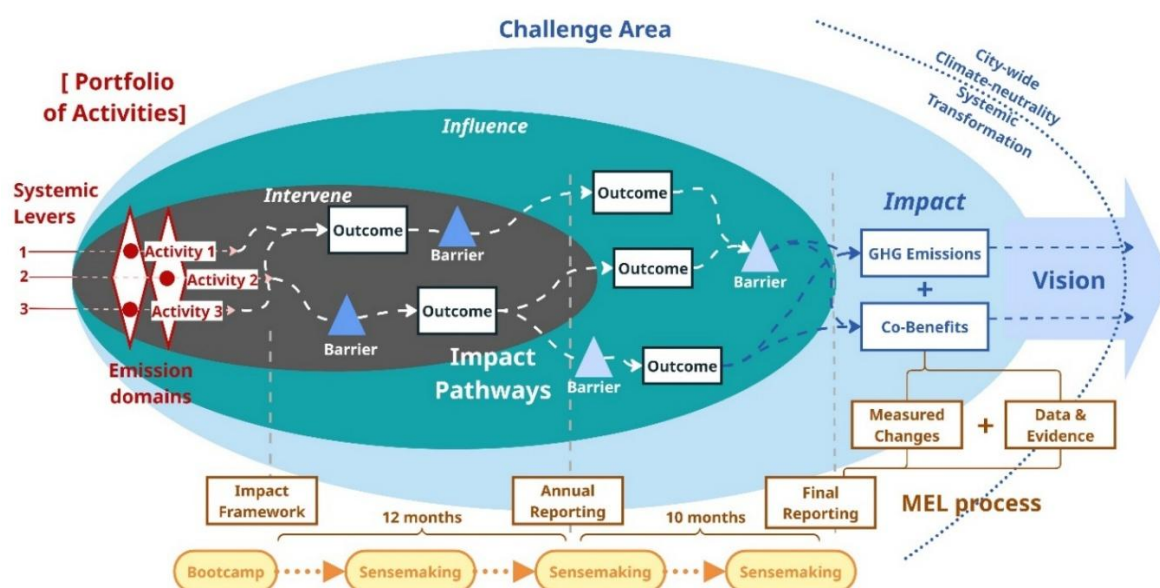


Figure 1: Impact pathways to capture ECT2 cities' outcomes, impacts and progress

Impact pathways are rooted in a project's transition logic (described by the "Impact Framework", see section 4.1) that shows how desired systemic transformations are anticipated to occur, while identifying underlying assumptions. Finally, pathways must be drawn to include sufficient options to achieve the desired vision and transformative adaptation goals in a timely innovation agenda and portfolio roadmap.

Within ECT2, applicant's impact pathways should:

- clearly articulate what would success look like for the project in terms addressing systemic barriers within its chosen challenge area
- set out a clear sequence of actions, assumptions, learning opportunities, outcomes and impacts,
- select the most appropriate indicators to measure, evidence and signal progress and demonstrate impact
- outline how results contribute to wider deployment, replicable knowledge, scaling of practices, processes or solutions, and institutional adoption.

Proposal's impact pathways should be formatted and submitted in accordance with the template and instructions provided for the Impact Framework (see section 4.1).

PLEASE NOTE: Proposals may pursue a range of cross-cutting activities as needed for successful delivery (see 5.4) to deliver the intended programme outcomes and impacts.

3.4 Challenge Areas

ECT2 focuses on advancing the sequenced logic from experimentation to city-scale delivery by focusing on diagnosed obstacle to systemic change, identified in this call as thematic-based challenge areas. As mentioned in section 3.2, **applicants must choose the challenge area that resonates most and anchor the rationale for intervention within this area.** For further detail, complete challenge area briefs are available in Annex 1.

Place-based heating and cooling

Unlocking the enabling conditions for coordinated, place-based heating and cooling, that can be scaled from neighbourhood-testing to city-wide transformation.

Cities need to protect residents from rising heat while also decarbonising existing heating systems and avoiding individual household responses (through a surge of uncoordinated individual air-conditioning instalment, gas boiler replacement choices or disconnected retrofit decisions). Without integrated neighbourhood delivery models, cities risk locking in fossil fuel heating, unmanaged cooling demand, peak-load stress, inequitable access to thermal comfort, and fragmented public-space, building and energy investments.

The **goal** is to establish city-wide delivery systems that enable neighbourhood-scale energy transitions to be planned, financed, governed and implemented at scale for city-wide transformation. This includes integrating heat resilience and low-carbon heating and cooling into Climate City Contracts, municipal plans, infrastructure investment decisions, building renovation programmes and wider urban development strategies.

Urban energy systems

Unlocking the enabling conditions for a coordinated city energy system that can deliver electrification, clean heat and flexibility at scale.

Cities are being asked to electrify transport and buildings, decarbonise heat, expand clean energy, manage new loads and protect vulnerable residents, but the institutions and infrastructure needed to coordinate this transition are not yet aligned. Grid planning, district heating, gas phase-out, building renovation, mobility charging, utility investment, customer offers and finance are often treated separately, creating delays, affordability risks and missed opportunities to scale.

The **goal** is to establish the governance, planning, investment and delivery arrangements required for a coordinated city-wide energy transition. This means creating the shared frameworks that enable cities

and key stakeholders (such as utilities, network operators, housing providers, industry, regulators and funders) to align infrastructure investment, service delivery and customer offers around Climate City Contract objectives.

Large-scale building retrofits and renovations

Unlocking the enabling conditions for repeatable building retrofit programmes that upgrade whole districts and portfolios.

Retrofit delivery is fragmented across institutions, finance, procurement, technical standards, contractors and monitoring systems. On top of this, the building stock itself requires different approaches depending on type and ownership. If mechanisms for aggregating these diverse portfolios into repeatable programmes are not developed and deployed, retrofit will remain too slow, costly and difficult to scale at the pace climate neutrality requires.

The goal is to create city-wide retrofit delivery ecosystems capable of transforming entire building portfolios over time. This requires institutional, financial, procurement, workforce and governance arrangements that enable retrofit programmes to be delivered consistently, affordably and at the scale required for climate neutrality, while improving comfort, health, resilience and social equity.

Nature Based Solutions (NBS) at city scale

Unlocking the enabling conditions for NBS to be planned, funded and maintained as core city infrastructure.

Cities do not lack NBS ambition; they lack the delivery systems to make NBS methodical, maintainable and investable. Without clear responsibilities, lifecycle finance, planning standards, asset data, private-land models and operational skills, NBS remains a collection of pilots rather than a core infrastructure system.

The **goal** is to embed nature-based solutions as a core component of how the city plans, delivers, finances and manages urban infrastructure (alongside energy, water, mobility and buildings). This requires institutionalising NBS across planning systems, capital investment programmes, maintenance regimes, adaptation strategies, biodiversity policies and Climate City Contracts so that it becomes a standard operating practice rather than a project-based intervention.

City finance innovations for climate neutrality

Unlocking the enabling conditions to turn climate plans into investable and sustainable pipelines that draw in public, private and community capital.

Strong plans and promising projects often exist, but the mechanisms to prepare, package, finance and scale them are weak. Cities cannot turn climate ambitions into delivery at the required scale if projects remain fragmented, dependent on short-term grants, weakly governed or insufficiently de-risked. The core challenge is to build investable pipelines with clear ownership, risk allocation, affordability safeguards, delivery partners, finance routes and MRV, so that public, private, philanthropic and community capital can be aligned around shared climate outcomes.

The **goal** is to establish the institutional, financial and delivery conditions that allow climate action to be implemented at scale across the city. This means creating repeatable approaches for project preparation, portfolio development, risk allocation, investment mobilisation and performance monitoring that can systematically convert Climate City Contract priorities into investable and deliverable programmes.

Decarbonising urban mobility and logistics

Unlocking the enabling conditions for a coordinated city-wide system that delivers reliable zero-emission movement and the reallocation of street space towards cleaner, safer and more productive uses.

Despite efforts to decarbonise urban mobility and logistics (e.g. via Climate City Contracts, sustainable urban mobility and logistic plans, access regulations and pilot projects), responsibilities, infrastructure,

data, contracts and incentives are spread across many actors who operate independently, meaning solutions are not aligned, cannot scale, and fail to deliver system-wide change.

The focus of the challenge is on how people, goods and services move through urban areas, and how cities can redesign the governance, infrastructure, rules and delivery models that shape those movements. The ambition is for city-scale transformation via well-managed urban mobility systems that provide reliable access to goods and services and reallocate street space towards cleaner, safer and more productive urban uses.

Note: For further detail, complete challenge area briefs are available in Annex 1.

3.5 Diversity of levers for change

As in earlier grant calls for Pilot Cities and ECT, combining multiple levers of change and transversal approaches is expected to be essential in overcoming barriers and unlocking transformation at scale. Applications should include one or several such levers and transversal approaches in their proposal. These include levers and transversal factors such as:

- **Governance and Policy:** what obstacles or opportunities for accelerating transition exist in the policy and regulatory system, and in the context of multi-level governance, what might need to change local, regional / provincial, national or EU level to enable transformative impact? What multi-level governance processes might be needed and possible to enable this?
- **Participation, Partnerships and Engagement:** as most emissions are beyond the direct control of the municipality, citizens and the private sector play a critical role. What participatory and organisational approach structures might be advanced in order to accelerate multi-actor coordination and collaboration in planning and delivering transformational change?
- **Procurement:** aggregated purchasing power in the public and private sector could shape markets towards low-carbon options, enabling greater innovation, competitiveness, and affordability. Public procurement is one of the strongest market-shaping levers available to cities. Beyond purchasing goods and services, it can stimulate innovation, create predictable demand for climate-neutral solutions and reduce the cost of scaling across multiple neighbourhoods.
- **Financing and Funding:** when delivering an intervention, what financial structuring approaches, stakeholder engagement and decision-making are needed to overcome finance obstacles? The blockers cities encounter here are recurring and substantial enough to warrant working on directly. Cities which need to build the capability to mobilise and structure investment at scale, rather than financing a single intervention should consider finance as a challenge area instead of a as lever.
- **A just transition:** a fair distribution of the cost burdens and economic opportunities of the climate transition is critical for sustaining a political mandate, and to achieve social co-benefits of the transition. What approaches might be possible to strengthen a just transition, such as a focus on housing affordability and other positive impacts on cost of living, accessible jobs, secure livelihoods and inclusive training opportunities?
- **Climate adaptation and mitigation:** overcoming the silos between adaptation and mitigation is critical to achieve synergies and optimal allocations of resources and space, and to avoid negative unintended consequences like maladaptation.

4 Monitoring, Evaluation and Learning (MEL) and Sensemaking

Monitoring, Evaluation, Learning (MEL) & Collective Sensemaking processes form the backbone of ECT2 programme delivery, linking indicator data tracking with peer-to-peer reflection and stocktaking to

generate actionable insights. These activities enable adaptive management and help synthesise lessons on what works, for whom, why and in which contexts. Simply put, MEL is not only an accountability requirement, but a core mechanism to help cities identify evidence of observable change, institutionalise innovative practices, remove blockers and credibly achieve scaling and replication.

4.1 Impact Framework and Intended Outcomes

Proposals will describe the MEL processes that track qualitative outcomes and quantitative impacts (in terms of GHG emissions and co-benefits) with coherent indicators. To fulfil this requirement, the ECT2 Impact Framework supports applicants to articulate clear and measurable impact pathways to long-term city transformation. The ECT2 Impact Framework builds on the NZC MEL approach, which views systemic change as a portfolio of interconnected activities as entry points towards unlocking early and later outcomes, and long-term impacts through on-the-ground implementation. Using the Impact Framework structure, cities can frame their impact pathways (i.e., their transition logic) that illustrate how proposed interventions will address systemic barriers and create the conditions for climate-neutrality and city-wide transformation within the relevant challenge areas.

The Impact Framework therefore serves as both a planning, measurement and learning tool, enabling cities to map how implementing their ECT activities contributes to achieving wider outcomes and setting enabling conditions, as envisioned by the ECT2 programme (see section 5.2), as well as collect and report data on impact once selected.

By combining challenge-specific pathways with cross-cutting levers of change (for e.g., governance, finance and funding, technological innovation, social innovation, partnerships and citizen participation or learning and capability building) the framework captures both direct impacts (including GHG emissions reductions) and wider co-benefits, while supporting MEL activities and adaptive governance throughout the implementation phase.

In this way, the Impact Framework ensures that individual projects contribute not only to local delivery goals, but also to the Mission's broader objective of generating transferable evidence, institutionalising successful approaches, and accelerating systemic transformation across European cities. The Impact Framework follows an 'Outcomes-led' approach, which implies that the activities, levers, MEL process, sensemaking activities and indicator selection are focused on the Outcomes intended to be produced through the project.

- **Intended Outcomes:** They are the observable changes achieved by implementing the portfolio of activities, either early (short-term) or later (medium-term) during the project's timeline. Some of these effects/results may potentially occur beyond the direct scope of the project's proposed activities (for e.g., wider capacities built, citizens engaged, partnerships formed, policies influenced, behaviours shifted etc.). Ultimately, they create the enabling condition for systemic innovation and deeper impact within the challenge area.

Examples of outcomes may include institutionalisation & policy change which shows how delivery would be embedded in policy, governance, budgeting, procurement, mandates, standards etc. These qualitative changes also relate to a project's Impact Pathways by connecting short-term or medium-term outcomes to quantified long-term impacts (GHG reduction of co-benefits). This may support meaningful connections, synergies or coordination between individual activities, and/or collaborations between diverse actors.

In essence, these outcomes will unlock enabling conditions beyond the direct scope of the proposed interventions, to advance a city's climate-neutrality agenda. These outcomes will help the project frame strategic learnings, select indicators, collect data and insights during implementation, participate in the Collective Sensemaking process, exchange knowledge and practice with other ECT2 peer cities.

- **Required MEL process:** Proposals must include a description of a practical MEL process aligned to delivery decisions. This includes an initial MEL outlook in the form of an Impact Framework (which includes indicator selection and intended Outcomes as likely source of evidence), a plan for quarterly delivery updates, plans for participation in Collective

Sensemaking sessions and synthesis of insights (what changed, what was adapted, early or later outcomes etc.).

4.2 Indicators Architecture

The quantitative indicators outlined in the Impact Framework ensure that the targeted impacts, expected evidence and assumptions are credible and appropriate for a 22-month period, recognising that some impacts will be direct while others are estimated or targeted beyond the project duration. While the selected MEL indicators remain reflexive and adaptive throughout the programme, it is recommended to use the most relevant KPIs that demonstrate the ECT activities' impact through project-level data. To avoid indicator overload or duplication of data collection these indicators may also integrate data from city-wide monitoring systems wherever necessary.

Proposals must specify potential indicators and metrics, with a clear description of a MEL system for data collection, analysis, verification, and post-selection data reporting. To ensure comparability across the portfolio while remaining relevant to each of the challenge areas, proposals must define quantitative indicators across two main categories:

- **Standardised GHG emissions indicators (mandatory):** They are the long-term effects produced by the project activities/interventions related to the GHG mitigation/reduction in one or more emission domains for the city, quantified via baseline data and calculation methodology with credible assumptions.

These can be either **Direct** (impacts delivered within the 22-month programme duration measured through primary data collection), **Indirect** (modelled, projected or scenario-based estimates supported by transparent calculation methods and assumptions) or **Targeted** (long-term total emissions potentially reduced, avoided or off-set once innovations are unlocked at scale).

- **Standardised Co-benefit indicators (mandatory):** These impacts are expected to be produced during or after the project duration because of the proposed activities/interventions. These also include long-term non-GHG impacts, if any. A common set of indicators will be used across all ECT2 projects to evidence wider socio-economic impacts of climate mitigation (e.g. affordability, air quality, health/wellbeing, accessibility, inclusion/participation, resilience). Co-benefits may also measure scaling performance or improved delivery capacity in terms of: deployment volumes, project coverage, speed, pipeline maturity, follow up projects, investment mobilised, market/supply-chain readiness, replication readiness etc.

These categories are termed as '**Standardised Indicators**' since they are the ones cities are required to select from the ECT2 Programme Indicator Set (available in the application pack). This set includes a catalogue of 45 indicators (12 GHG Indicators and 33 Co-benefits) compiled by the NZC Consortium, as recommended indicators as aligned with cities proposal. These indicators are also compatible with the climate reporting platforms cities currently use (such as, CDP/ICLEI Track or MyCovenant), which can help selected cities identify their relevant data sources and integration at a later reporting stage.

Standardising a coherent set of indicators and metrics across all projects in the portfolio will help the programme team in terms of – offering further MEL and impact assessment guidance to selected cities during Bootcamp, proposal refinement and reporting stages, allowing for quantitative data comparability/aggregation between all cities selected in the Call for Proposals, and enabling MEL capacity building within the ECT2 cohort.

In addition to the mandatory standardised Indicators, the Impact Framework also creates space for cities to choose their own indicators to report on optionally to strengthen and balance the standardised indicator set:

- **Customised indicators:** These are the GHG and/or Co-benefit indicators proposed by the city based on local relevance, where these support political and community legitimacy and durable adoption. Customised Indicators are specific and most suited to each project based on individual cities' intended impacts and context. These non-standardised or contextual indicators can be

included to measure progress and assess impacts that are **not explicitly covered in the ECT2 Indicator Set** provided. Applicants are free to describe them based on their proposed activities and voluntarily report data based on them, if the proposal is selected.

During the proposal development stage, it is recommended making an informed choice of the most relevant KPIs, metrics and intermediate outcomes that best suit each city/project's ambitions. For being responsive to the implementation process, the quantitative indicators and qualitative outcomes proposed by the city via the Impact Framework template will not be considered as final or frozen for the entire programme duration or for MEL reporting purposes post-selection. Rather, these are starting points for cities to map their potential impacts, learning and sensemaking journeys. Once selected, cities will have a chance to edit, refine or revise the original indicators and outcomes during the Grant Agreement preparation phase.

4.3 Collective Sensemaking

The 'sensemaking' activities shall comprise structured, facilitated, and continuous processes of observation, reflection, and synthesis to generate real-time insights from cities' progress and implementation. This practice aims at enabling 'reflexive governance' (also known as adaptive management) which helps cities understand which solutions are working, in what contexts, for whom and why and either change course or adapt their actions accordingly.

It is currently estimated that up to 4 Collective Sensemaking sessions will be organised, with one of them being in-person. These sessions will capture and consolidate evidence and knowledge on the scalability and transferability of ECT2 interventions across critical emission domains and city challenge contexts. Additionally, these peer-learning sessions will help build trust and synergies to create a safe learning environment in which cities feel empowered to exchange insights on barriers, shortcomings and even failures (*what could have been done differently?*). The learning methods are underpinned by the Outcomes captured in the Impact Framework, which help cities to actively engage, reflect, and learn through breakout group discussions and individual cities' stocktaking and analysis.

The insights generated from sensemaking activities will support cities to effectively articulate and disseminate their outcomes/impacts to a wide range of stakeholders, as well as support the programme team facilitate the city-to-city matchmaking and support deployment based on emerging needs.

5 Scope

This call will provide subgrants to projects lead by Mission Cities that deploy and scale climate-neutral solutions in urban contexts to enable whole-city transformation and generate replicable evidence fit for multi-city pan-European replication and adoption.

ECT2 subgrantees will demonstrate a strong commitment to the EU Mission "100 Climate-Neutral and Smart Cities by 2030", will show significant interest in systems innovation and will mobilise internal and external competences to accelerate climate neutrality.

Subgrantees will develop mechanisms to meaningfully involve and engage citizens and stakeholders.

Subgrantees will ensure knowledge sharing mechanisms beyond their target city and will look to increase cooperation with other public authorities across the Mission.

5.1 Aims

Across all challenge areas, ECT2 aims to enable cities to move from constrained implementation to durable, city-wide transformation by combining activities which remove diagnosed systemic blockers and accelerate progress to climate neutrality. To this end, the programme aims to ensure that Mission Cities can:

- Deploy and scale climate-neutral solutions by addressing institutional, policy, financial, governance, market or social bottlenecks that limit uptake or speed.

- Translate research, innovation and evidence into operational policy and delivery systems, ensuring that scientific and technical knowledge is effectively embedded into city decision-making.
- Strengthen city capacities and capabilities so that climate-neutral delivery becomes business-as-usual, independent of individual champions or one-off projects.
- Cover a broad range of levers for change (policy, green technology, finance, governance, behavioural change, social innovation, multi-actor collaboration, procurement, new business models as circular economy, etc.)
- Enable collaborative governance and citizen engagement models that support systemic, cross-sectoral climate action and deliver just transition outcomes.

5.2 ECT2 Programme Outcomes

Regardless of the chosen challenge area and corresponding impact pathway, proposals are expected to deliver:

- Innovative or enabling solutions (or bundles of solutions) piloted, adapted or implemented at city level, including technological, policy, governance, financial or service innovations that directly support climate neutrality.
- Operationalised enabling measures that support the large-scale implementation of climate-neutral solutions, such as new delivery models, governance arrangements, regulatory approaches, investment mechanisms or procurement frameworks.
- Strengthened institutional capacity within city administrations and key local actors, demonstrated through trained staff, new skills, improved processes, and enhanced ability to manage complex cross-sectoral transitions.
- Collaborative and inclusive governance arrangements, including mechanisms for multi-stakeholder coordination, engagement of citizens (including vulnerable or marginalised groups), and shared ownership of climate-neutral pathways.

5.3 Expected results and impact

In the short to medium term (within and beyond the 22-month programme window), ECT2 interventions will contribute to:

- enabling solutions tested at city level that sustainably strengthen cities' capacity to deliver and scale climate-neutral action;
- explicit lessons learnt from the innovative trajectories, with knowledge, capacity and capabilities developed at city level;
- clear outcomes of enabling approaches/measures to support the implementation of innovative solutions, at scale, by the end of the ECT2 Programme, which could include a new business model, policy initiative, governance innovation, funding or financing model, and EU-level replication or scaling strategy.

Applicants will not be penalised for relying on indirect or targeted emissions estimates where these are transparently linked to credible institutional and scaling mechanisms.

Subgrantees will be expected to report their results, particularly they will have to submit the following deliverables:

- standardised indicator values and baseline values for each selected indicator (GHG and Co-benefits);
- at least one knowledge asset in English for replication in another city.

5.4 Eligible activities

The ECT2 programme focuses on pioneering, systemic and capacity-building interventions that unlock delivery conditions rather than funding isolated projects. Activities are expected to be challenge-driven, systemic and enabling in nature aiming to remove bottlenecks, unblock stalled pathways and unlock the conditions required for accelerated and scaled city-wide climate-neutral delivery. All activities must be explicitly framed with regards to what they are intended to change, rather than as isolated actions. While applicants must choose one of the challenge areas to anchor their interventions, they may include a range of activities, falling into one or more of these categories further described below:

- **Pioneering Activities;**
- **Systemic, Science-based Innovative Initiatives;**
- **Capacity and capability-building activities;**
- **Collaborative governance and community-building activities.**

Across all eligible activities, proposals must:

- Respect Do No Significant Harm considerations
- Embed inclusion, accessibility and just transition principles into durable structures and processes

5.4.1 Pioneering Activities

Activities that adapt, test or deploy innovative or enabling solutions at city level must be framed as enablers of scaled deployment, not isolated demonstrations. Eligible pioneering activities to support climate-neutrality include:

- New or improved technologies, processes, services or systems
- Novel policy instruments, regulatory approaches, governance models or delivery mechanisms
- Integrated solutions combining multiple levers of change (technological, social, financial, regulatory,...)
- Cross-sectoral approaches addressing interactions between systems

5.4.2 Systemic, Science-based Innovative Initiatives

Activities that strengthen the connection between research, evidence and city delivery must contribute to decision-making and implementation, rather than remaining at analysis or strategy level only. Eligible systemic, science-based innovative initiatives include:

- Translating scientific research and R&I outcomes into actionable policies, standards, planning tools or investment decisions
- Developing evidence-based approaches to overcome systemic barriers in key emissions domains (e.g. energy, buildings, mobility, nature-based solutions)
- Applying data, modelling, digital tools or analytical methods to inform systemic transformation and accelerate delivery
- Designing integrated responses across policy, finance, behaviour, markets and governance

5.5.3 Capacity and capability-building activities

Activities that establish new knowledge, skills and institutional competence within city administrations and key local actors must be clearly linked to named delivery functions and long-term institutional needs. Eligible capacity and capability-building activities include:

- Training programmes, learning journeys, workshops or peer-learning formats
- Development of new operational roles, teams, competencies or internal processes
- Strengthening financial, legal, procurement or project-delivery capabilities relevant to climate-neutral action
- Building internal capacity to manage scaling, institutionalisation and cross-sector coordination
- Legal and financial expertise to structure/audit and de-risk project financial packages

5.5.4 Collaborative governance and community-building activities

Activities that build more collaborative, inclusive and systemic governance arrangements. These activities should support shared ownership and legitimacy of climate-neutral pathways, rather than one-off consultation exercises. Eligible collaborative governance and community-building activities include:

- New or strengthened multi-stakeholder coordination platforms
- Citizen engagement approaches embedded into decision-making or delivery systems
- Governance innovations that enable cross-departmental, cross-agency or cross-sector collaboration
- Approaches that empower communities and local actors to act on climate change in a coordinated and sustained manner

Activities related to communication, dissemination and exploitation of results may be included where they support and amplify the outcomes and impact of delivery. Such activities should contribute to knowledge transfer, replication, scaling, institutional adoption, peer learning and Mission-wide uptake of project results, supporting the expectations set out in section 5.3.

ECT2 will not prioritise:

- Early-stage experimentation without a credible institutionalisation route
- Standalone pilots that do not change operating models/policy/budget/procurement
- Technology trials without delivery integration, financing, and policy embedment
- Adoption of consolidated models involving the straightforward replication of approaches that have already been proven or tested, where little new learning, adaptation, innovation or transformative value is expected.

6 Grant parameters

6.1 Call Timeline

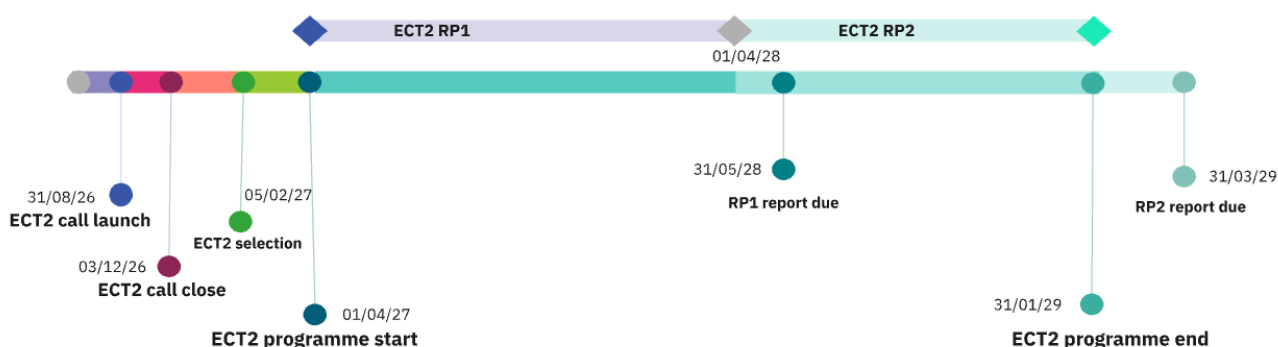


Figure 2: ECT2 graphic timeline

Date/Time (CET)	Item	Link (if applicable)
Monday 31 August 2026 (12.00 CET)	Publication of Call Guidelines and ECT2 Call launch The guidelines for the Call (this document), are published on the NZC website, the call is visible on the EU Funding and Tenders Opportunities Portal, under the type of subgrants “Cascade Funding Calls”. At 12.00 CEST hrs on 31 August 2026 the application process will be formally launched. Cities will be able to register themselves with the submission platform and create a proposal. Cities will be able to save and return to this proposal at any time up until the submission deadline as stated below.	NZC Website EU Mission: Climate-Neutral and Smart Cities Funding & tenders (europa.eu)
September – October 2026	Upcoming information sessions: 1. 15/09 – Ambition and Approach for ECT2 (90’) 2. 29/09 – Eligibility, Assessment Criteria and how to submit(90’) 3. 09/10 – Impact Framework and Monitoring, Evaluation and Learning (MEL) (90’)	Registration links: 15/09 – 11.00 CET - LINK 29/09 – 11.00 CET - LINK 09/10 – 11.00 CET - LINK
Thursday 3 December 2026 (12.00 CET)	Call deadline Formal deadline for full submission. Proposals received after this date or outside of the grant management system are not considered eligible. No extensions and modification of proposals after the submission are possible.	NZC Website
December 2026- January 2027	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 portfolio selection (Stage 3). More information about these Stages can be found in section 9 of this document.	N/A
05 February 2027	Decision Communication Formal outcomes will be sent to applicants, along with feedback.	Email
05-12 February 2027	Appeals management Time window to manage eventual appeals and complaints received after sending the outcome communication to applicants	Email
19 February 2027	Publication of Call outcomes and selected ECT2 cities Parallel to the contracting process, the list of successful ECT 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 Website
1 April 2027	ECT2 programme launch The programme officially starts: due diligence has been completed, the grant agreement is signed and becomes legally binding	N/A
31 January 2029	ECT2 programme concludes The programme end date is also the effective project end date and indicates the cost eligibility end date for the programme.	N/A

Table 1: ECT2 Call timeline (list of deadlines)

7 Funding & Duration

7.1 Programme duration

The programme will run for 22 months (April 2027- January 2029) during which the ECT2 interventions will occur.

7.2 Sub-grant allocation

Climate KIC has entered into a grant agreement with the European Climate, Infrastructure and Environment Executive Agency (CINEA), under the powers delegated by the European Commission regarding Horizon Europe Research and innovation funding programme (2021-2027), for the funding of the action entitled ‘Accelerating cities’ transition to net zero emissions by 2030’ — ‘NetZeroCities’, Grant Agreement name “Specific Grant Agreement n°3 to the FPA to reinforce the operations of the Climate-Neutral and Smart Cities Mission Platform” and no. SGA3-NZC 101261829.

Being funded under Horizon Europe (HE), the rules for beneficiaries reflect those of the HE Programme.

For proposal budget assumptions and subgrant allocation to be compliant under the HORIZON-RIA-SGA3-NZC 101261829, the following budgeting rules, at the level of the proposal, should be followed.

- The minimum and maximum amount for subgrant funding to be allocated to a selected proposal through this Call will be no less than 500,000 EUR and not more than 1,500,000 EUR, depending on the expected scope and impact of the proposed projects, and according to the given budgeting envelopes and associated rules outlined below.
- At least two legal entities should have budget / allocated subgrant in the proposal.
- The requested subgrant allocation per legal entity shall not be more than two-thirds of the total subgrant requested.
- The criteria for determining the exact amount of subgrants to selected beneficiaries will be based on:
 - proposed budgets submitted by applicants, in line with eligible cost categories; and
 - assessment of the budget/proposal's value for money in relation to the proposed activities and expected impacts.

This will need to be reflected in the budget assumption submission, specified per consortium organisation in the budget table of the proposal.

The signing of subsequent Award Agreements will be preceded by compliance with these budgeting rules.

Information and guidance on eligible cost categories will be described in the Call financial guidelines.

Following applicable [Horizon Europe Model Grant Agreement](#) Articles, it is anticipated that eligible costs will cover:

Cost Category	
A. Personnel Costs	
B. Subcontracting Costs (not subject to indirect costs)	
C. Purchase Costs	C.1 Travel and subsistence
	C.2 Equipment
	C.3 Other goods, works and services
D. Other cost categories (internally invoices goods & services) – (not subject to indirect costs)	
E. Indirect Costs = $0,25 * (A + C.1 + C.2 + C.3)$	
Eligible Costs (A + B + C + D + E)	

Table 2: Eligible ECT2 cost categories

Form of subgrant

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

7.3 Funding envelopes

The total available budget under this call is **8 million Euros (EUR)**. ECT2 funding is delivered with envelopes linked to the number of Mission Cities in a proposal.

The funding will be allocated across three subgrant envelopes as follows:

- **500,000 EUR:** proposals with a minimum of **one Mission City** plus at least one additional consortium partner (NB: in case the additional consortium partner is another eligible Mission city/district the following envelope should apply instead of this one).

- **1,000,000 EUR:** proposals with a minimum of **two distinct Mission Cities** (i.e. formally selected as such), plus any additional consortium partners.
- **1,500,000 EUR:** proposals with a minimum of **three distinct Mission Cities** (i.e. formally selected as such), plus any additional consortium partners.

ECT2 can retain the same mechanism and envelope logic of the first ECT programme (recommended for continuity), but with **stronger delivery and policy-impact expectations**.

7.4 Mandatory budget features

This section describes expected mandatory effort for the ECT2 programme to support the preparation of the proposal budget.

7.4.1 Coordination by the proposal lead

As the lead beneficiary will be a Mission City, this administrative and strategic responsibility must be mirrored in the budget. Proposals are expected to allocate appropriate coordination effort and dedicated cost lines to the lead partner to ensure robust project management including management, reporting, and consortium oversight required for successful delivery.

This includes oversight of the consortium partners financial reporting through setting up specific monitoring measures.

7.4.2 Building for synergies and cross-fertilisation

Upon selection of cities (and their interventions) for the Enabling City Transformation 2 programme, cities and their partners will be invited to engage with the Boot Camp process, alongside requisite due diligence and grant agreement preparation processes.

Boot Camp will consist of online sessions but also an in-person event. During the Boot Camp, connections between complementary/synergistic interventions will be identified and established. These will be explored and reflected upon throughout the Collective Sensemaking process.

After the Boot Camp, Collective Sensemaking and cross-fertilization will occur to consolidate synergies and 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 fertilisation 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 Programme is 3 to 4 person months, in addition to any consortium partner contributions.

It is currently estimated that up to 4 Collective Sensemaking Rounds will be organised with one of them being in-person (applicants should consider the relevant travel budget in the proposal) where each pilot will provide a presentation in storytelling format.

Travel expenses should be included for the participation of one to three ECT2 representatives in the two in person events described in this section.

7.4.3 Communication and dissemination

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 logo.

7.4.4 CFS

All consortium leads must submit at least a Certificate on Financial Statements (CFS). For further details please read the ECT2 Call financial guidelines.

8 How to submit

8.1 Proposal format

Applicants are strongly encouraged to consult the challenge areas (see Section 3.4)

All applicants must:

- Choose the challenge area that resonates most and anchor the rationale for intervention within this area and follow the provided template on the submission platform.
- Formulate an adequate context-specific impact pathways within their chosen challenge area following the impact framework (see 3.3 & 4.1).

8.2 Submission platform

Applications will be submitted through the Climate KIC Grant Management System. It is possible for more people to collaborate on the proposal on the platform but only one person will be able to submit the proposal and receive the outcome communication emails.

Step 1: If not already registered, applicant organisations should be registered first by a lead contact point (who will then be automatically registered) using this [link](#).

Step 2: To access the system and/or register additional, individual accounts, use this [link](#) (please bookmark it!)

Guidance on how to submit your application can be found through the following links:

- [How to register in the System?](#)
- [FAQ & Instructions](#)

If you experience technical difficulties, please consult the system guidance. If you are still unable to resolve your system issue, follow the guidance on how to raise a support request via appropriate channels (access to the platform or proposal writing queries should be sent at least one week before deadline while submission issue tickets can be submitted up to deadline). For all other non-technical related queries, please contact ect@netzerocities.eu.

8.3 Language

Proposals under this call and reporting under this programme must be submitted in English. Supporting documentation including internal documentation issued during the programme may be issued in the local language. When submitting supporting documentation in a different language please provide also a summary in English to understand the content.

8.4 Submission deadline

For fairness and transparency, no late submissions shall be considered. All applications/proposals must be submitted by the date specified in the Timeline section of this Call (see 6.1). Please note that **out of the system or late applications/proposals will not be accepted, and the system will be locked after the deadline.**

8.5 Artificial intelligence (AI) use

When considering the use of generative artificial intelligence (AI) tools for the preparation of the proposal, it is imperative to exercise caution and careful consideration: under this call there will be 100% human accountability for the content of the proposal and of deliverables and reporting. Human-led reasoning and scientific direction is expected; AI should be a drafting assistant, not the author.

The AI-generated content should be thoroughly reviewed and validated by the applicants to ensure its appropriateness and accuracy, as well as its compliance with intellectual property regulations. Applicants are fully responsible for the content of the proposal (even those parts produced by the AI tool) and must be transparent in disclosing which AI tools were used and how they were utilised.

Citations should be checked to ensure they're accurate and to avoid risk of plagiarism.

Proposals and project documents where there is an evident and predominant use of AI will be penalised.

9 Review mechanisms and selection criteria

9.1 Overview

ECT2 uses a three-stage review and selection process designed to align individual proposal quality with portfolio-level impact. The review approach reflects the logic of the programme: ECT2 curates a coherent, high-impact portfolio capable of influencing delivery systems, policy frameworks, and institutional practice across the Mission.

1. **Eligibility check (pass/fail):** Verifies compliance with core programme rules. The eligibility check stage entails the assessment of pass/fail requirements (see 9.2) that are assessed by the SGA-NZC Consortium. Proposals must comply to the full set of eligibility criteria to proceed to Stage 2. Proposals that fail the eligibility criteria will not be considered further in the process and applicants will be informed of the outcome.
2. **Expert assessment (scored):** Evaluates the quality, credibility, and delivery readiness of each proposal against weighted criteria. Scores will be given by two independent external experts (see 9.3) checking the submitted proposals against the individual assessment criteria. These thematic experts are appointed from the pool of experts identified through an open call and contracted by the coordinator as part of the NetZeroCities programme. The evaluation is made using sub-criteria grouped into the three main categories of: Mandate to Act, Capacity to Act, and Impact.
3. **Strategic portfolio selection:** Applies portfolio lenses to ensure coherence, balance, and maximum Mission-level impact. The selection committee will select a portfolio of interventions through a dedicated selection process. The existing ECT portfolio will be expanded through the proposal selected under the ECT2 call with the intention to support Mission Cities to overcome challenges to, experimenting with, and learning about, the implementation phase of the Cities Mission: i.e. enabling (Cities) Mission innovation implementation. It will also aim at complementing the existing cohorts of Pilot Cities (i.e. inter-cohort portfolio) selected through previous calls, creating opportunities to exploit learning and outcomes of these diverse interventions over the course of the programme. The final selection of the interventions to be supported through the subgrants will be made subsequently, to the review by independent external experts and the scores noted in Stage 2. 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 9.4. Decisions as to whether a proposal is accepted or rejected will be communicated as detailed in this document.

Note: Funding decisions are ultimately made at portfolio level, not solely at the level of individual proposal.

9.2 Stage 1 – Eligibility (Pass/Fail)

Eligibility criteria are used to ensure submitted proposals meet all the mandatory requirements and, should they be successful in Stages 2 and 3, are subsequently eligible to receive funding. Eligibility criteria are set according to pass/fail criteria, with “pass” on all questions being the only admissible choice to proceed to the next Stage of the process.

The pass/fail eligibility criteria for this call are:

#	Eligibility criterion	Description and how demonstrated	How assessed
1	Only one proposal may be submitted by an eligible Mission City / District.	Only one proposal may be submitted by an eligible city/district. In the case of multi-city/district proposals, each city/district may appear in only one proposal. There shall be no territorial double-funding; therefore, a higher level of administration should not appear in a separate proposal to that of a constituent, lower-level administration (e.g., district). Applicants are advised to coordinate at the relevant city/district administrative levels before applying. How demonstrated: Proponent/consortium members listed in the Call platform, and their role(s).	Pass/fail
2	The consortium must contain at least two legal entities (one of which must be the local authority or city administration).	The ECT2 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. How demonstrated: Proponent/consortium members listed in the “organisations roles” section of the Call platform.	Pass/fail
3	The proposal must be led by a Mission City administration	The proposal must be lead by the city administration. How demonstrated: - City appears as “proposal lead” in the “organisations roles” section of the Call platform - Both the work plan and the budget will contain activities and resources for coordination allocated to the lead city	Pass/fail
4	Political mandate: A letter of support from the city mayor (or equivalent) must be provided.	In the case of a multi-city proposal, one letter must be provided for each city. How demonstrated: Letter of support included in application. The letter must include: - Applicant’s official document header/template. - Signed and dated by a city/district official mandated to signed on the city/mayor/city council’s behalf. - The name and code of the Call. - Unambiguous commitment of the city/district authority to the NZC ECT2 Programme and declaration of learning exploitation. Please use the provided pro forma template, accessible on the call website.	Pass/fail
5	Clearly diagnosed Mission implementation challenge area	The application addresses one of the challenge areas defined in the ECT2 Call and set out in section 3.4. How demonstrated: “Primary challenge area” question of the Call platform contains the selected challenge.	Pass/fail
6	A list of stakeholders to be engaged in the enabling innovation interventions must be provided.	A list of stakeholders engaged/to be engaged are provided. How demonstrated: Question in the Call Form requesting a list of engaged/to be engaged stakeholders.	Pass/fail

Table 3: Stage 1 eligibility criteria

Applicants are advised to pay careful attention to these criteria to avoid errors at this stage. Failure to meet any eligibility criterion results in rejection without further assessment.

Admissibility communication

Applicants/Proposers who do not pass the admissibility and/or eligibility review will be notified, via email, to the email address provided to Climate KIC during the submission.

9.3 Stage 2 – Expert Assessment (Scores)

Eligible proposals are assessed by independent experts using a weighted scoring framework aligned with ECT2's delivery orientation. The assessment retains the established Mandate to Act / Capacity to Act / Impact structure. Weighting is applied to prioritise institutionalisation, policy impact and scaling. Please note that for the purposes of assessment, Mission implementation challenge must be demonstrated within one of the thematic headings defined in Section 3.4 of the call. The assessment focuses on the depth of diagnosis and pathway credibility, not on re-defining or extending the thematic scope.

Overall Weighting & Scoring

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, yet several shortcomings are present.
4	Very good. The proposal addresses the criterion very well, with a small number of shortcomings eventually
5	Excellent. The proposal successfully addresses all relevant aspects of the criterion. Any shortcomings are minor.

Table 4: Stage 2 scoring scale

1. Criteria grouping	2. Points available / number of criteria	3. Threshold required* /description
Mandate to Act	Up to 25 / 3 criteria	This criterion assesses whether the city has the authority, legitimacy, and strategic clarity required to deliver the proposal.
Capacity to Act	Up to 35 / 4 criteria	This criterion evaluates whether the proposal has the operational capability to move from intention to delivery.
Impact	Up to 40 / 3 criteria	Impact carries the highest weight in ECT2, reflecting the programme's focus on durable transformation rather than activity completion.

Table 5: Stage 2 available points for each scoring group criteria

Assessment Dimension		
	Criterion	Description
Mandate to Act (25 Points – 25%)	Challenge Area Alignment (10 points):	○ Local Context & Diagnosed Barriers: The proposal clearly demonstrates why the selected challenge area is relevant to the city's local context, delivery realities, and provides a robust diagnosis of the barriers (e.g. institutional, policy, financial, market, data, etc..) that are preventing progress. (5) ○ System Constraint: The proposal identifies a genuine system-level constraint, rather than an isolated project gap, and demonstrates a clear link between the selected challenge area, the identified system constraint and the proposed outputs. (5)
	Authority to act (5 points):	○ Authority & Political Support: The proposal demonstrates cities' formal authority and political backing to implement the proposed changes (5)
	Strategic coherence with existing Mission commitments (10 points):	○ Strategic connectivity to city vision: The proposal is aligned with city/ies' overarching vision for climate neutrality (including a city's climate city contract) (5) ○ EU-level Relevance: The proposal is relevant to other Mission Cities with a credible rationale for EU-level relevance (including potential to inform policy, standards, or funding frameworks). (5)
Capacity to Act (35 Points – 35%)	Credible delivery architecture (capable of unblocking the system constraint) (15 points)	○ Effective Delivery Structure: The proposal establishes a clear and effective delivery structure, including empowered teams or coordination mechanisms. (5) ○ Consortia: Consortium partners are well aligned, with complementary roles that enable delivery. (5) ○ Planned Interventions: The proposed interventions are deliverable within the proposed timeframes and budget, and demonstrate coherent value-for-money. (5 points)
	Awareness of risks (5 points)	○ Risk Management: Key delivery risks are identified and actively managed, with realistic mitigation approaches that maintain delivery continuity. (5)
	Stakeholder Engagement (10)	○ Embedded Engagement: Stakeholder engagement (including citizens where appropriate) is durable, decision-linked, and embedded in governance and delivery processes. (5) ○ Decision-Orientated Participation: Engagement contributes meaningfully to delivery and decision-making, not just consultation. (5)
	Cross-cutting considerations (5 points)	Inclusion & Just Transition Integration: Inclusion and just transition considerations are embedded in core delivery structures and decisions, rather than treated as add-ons. (5)

Impact (40 Points-40%)	Lasting Outcomes and measurable impacts (20 points)	○ Sustainability of Outcomes: The proposal is explicit in how activities can develop enabling conditions or long-lasting changes that sustain beyond the project duration. (5) ○ GHG Impact Monitoring & Evidence: Potential GHG reduction impacts are clarified and credible approaches for monitoring or evidencing these are identified in terms of indicator selection. (5) ○ Co-Benefits Impacts: The proposal identifies credible social, economic, environmental or resilience-related co-benefits beyond its primary objectives and credible approaches for monitoring or evidencing these are identified in terms of indicator selection. (5) ○ Policy & Institutionalisation: The proposal identifies credible pathways through which its outcomes will influence and become embedded in policy, governance arrangements, standards, statutory or regulatory frameworks, procurement or engagement practices, budgeting processes, staffing models, operational routines or other institutional mechanisms beyond the duration of the project. (5)
	Innovation & Learning (5 points)	Innovation & Learning: The proposal demonstrates how it could generate new knowledge, data and insights on delivery models and innovative impact pathways relevant to other Mission Cities and demonstrates a clear commitment to capturing, applying, sharing, and disseminating learning throughout implementation. (5)
	Scaling and replication potential (15 points)	○ Scaling: The proposal demonstrates how scaling will directly address or unblock the identified system constraint at larger scale. (5) ○ Transferability: The proposal clearly articulates what is predicted to be transferable in practice, beyond high-level lessons. (5) ○ Replicability: Replication outputs (e.g. playbooks, templates, standards) are intended to be produced; They are concrete, usable, and well specified. (5)

9.4 Stage 3 - Strategic Portfolio Selection and Funding Decision

Stage 3 selection is conducted by the Programme Owner and is not a re-scoring exercise. The selection committee will select the proposals that best complement the current Enabling City Transformation Portfolio of Cities offering the highest potential for direct impact, learning opportunities and replicability potential using Stage-2 quality results as an input to assemble a balanced, high-impact ECT2 portfolio. In addition to score rankings, the following lenses are applied:

- **Innovative potential:** The extent to which proposals introduce novel or significantly improved approaches to overcoming bottlenecks within a challenge area. Preference may be given to proposals that generate new knowledge, test credible approaches to removing systemic barriers, or demonstrate innovative impact pathways with potential for adoption across the wider Mission Cities portfolio.
- **Challenge area coverage and coherence.** This considers the potential for forming strong thematic clusters around shared challenge areas, while avoiding fragmentation and over-concentration on similar approaches.
- **Geographic and city-type diversity.**
- **Emissions domains and levers of change represented:** The selection committee will seek an appropriate diversity of emissions domains, implementation barriers and levers of change across the portfolio.

- Budget availability and proportionality.

ECT2 funding is allocated to portfolios of solutions, not isolated demonstrations. As a result:

- A proposal with a high score may not be funded if it does not strengthen portfolio coherence.
- Conversely, a slightly lower-scoring proposal may be funded if it fills a critical portfolio gap or significantly strengthens replication or policy impact potential.

Final funding decisions, budget allocations, and any conditionalities (e.g. alignment with other funded projects within a challenge area) are communicated following portfolio selection.

Key implication for applicants: success in ECT2 depends not only on proposal quality, but on how effectively the proposal contributes to a coherent, challenge-based portfolio capable of delivering Mission-level impact.

9.5 Decision communication

Climate KIC will aim to communicate final outcomes to applicants by 5 February 2027. The final communication will be an email to the proposal lead who will have submitted the selected proposal and will include:

- Status of the selection
- the subgrant allocation (for successful applications)
- the outcome of stage 2 and stage 3 evaluations
- a set of recommendations/conditions (if applicable).

The sub-granted funding may vary from the requested funding in the proposal.

Generally within a week from the communication to applicants the list of selected projects with a description of the action, subgrant 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 website. Contract development and signing processes are expected to continue through to April 2027 as applicants respond to relevant compliance requirements and conditions for funding. After the completion of the due diligence process, Climate KIC aims to issue subgrant awards for signature no later than 1 April 2027, with the programme commencing from no later than 1 April 2027.

10 Data, intellectual property and complaints

All applicants will be required to accept 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, Climate KIC making the outcome of this call for proposals available on its website in relation to statistics on number of proposals, per country, per thematic topics, budget, and funding (i.e., aggregated Call data). Information 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 Climate KIC and certain data elements will be visible to other SGA-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 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.

10.1 Confidentiality

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, SGA3-NZC Consortium members, consortium members, evaluators, and decision makers are prohibited from discussing or disclosing non-publicly available information or contributing to the development of applications.

10.2 Intellectual property

As a general principle, ECT2 follows the requirements of the General Data Protection Regulation (GDPR). As such, the management of knowledge and data should be “as open as possible and as closed as necessary,” “open” to foster replicability and scalability, 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.

10.3 Complaints & appeals

Upon reception of a decision communication letter with either the results of the eligibility review (Stage 1 Eligibility) or the evaluation report (Stage 2 Assessment), the lead applicant may request a review of the outcome if they identify 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.

This procedure is not meant to contest the judgement made by the independent external reviewers or the selection committee. It can only look into procedural shortcomings and – if it applies – into factual errors. The decision communication letters (either Stage 1 or Stage 3) will specify a deadline for the receipt of any such requests, which will be 7 calendar days including the day the outcome letter was sent (i.e. communication received on a Tuesday, the complaint can be submitted within the next Monday).

An acknowledgement of receipt of a request for review of the outcome by the applicant will be sent by the NZC ECT2 Team no later than 3 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's organisation

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 send an email to the NZC ECT team at ect@netzerocities.eu. Climate KIC maintains an independent and fair assessment procedure to avoid potential conflicts of interest and ensure fair treatment among applicants.

11 Annexes

Annex 1: ECT2 Challenge area briefs (including potential impact pathways)

(in a separate file)