



**EUCF**  
European City Facility



# EUROPEAN CITY FACILITY

## FAQs

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**Disclaimer:** The current version can be subject to changes. Applicants are invited to regularly check if the versions have been adjusted.



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## 1. About the European City Facility (EUCF)

### 1.1 What is the EUCF?

Municipalities, local authorities and local public entities aggregating municipalities/local authorities play a key role in Europe's transition towards sustainable energy. They have tremendous potential to build comprehensive sustainable energy investment programmes (i.e. investments in energy efficiency and renewable energy). Moreover, they can encourage the pooling of smaller projects into larger investment portfolios and mobilise the significant financial resources required for the energy transition.

Although the potential is immense, there are fundamental barriers. In many cases, there is a lack of credible, robust and sufficiently mature investment concepts. However, such concepts, which should include the identification of potential project pipelines, legal analysis, governance analysis, basic financing strategy, and roadmaps for implementation, are a prerequisite to accessing different sources of funding.

In this context, a new pan-EUCF, set up under the Horizon 2020 Framework Programme for Research and Innovation of the European Union, provides **tailor-made, rapid and simplified financial support (grants of EUR 60,000) and capacity building services** to municipalities, local authorities, their groupings and local public entities aggregating municipalities/local authorities in Europe that will enable them to **develop sound investment concepts** (hereafter referred to as IC) and **mobilise finance in the field of sustainable energy**.

The EUCF addresses two fundamental barriers for sustainable energy investments:

- Lack of financial and legal capacity of municipalities/local authorities to transform their long-term energy and climate strategies (e.g. SEAPs, SECAPs etc.) into appropriate investment concepts.
- Lack of aggregation of fragmented smaller projects (for example in the building sector) and thus lack of attractiveness for the financial sector.

The resulting investment concepts will represent an initial step towards a fully-fledged business and financial plan and as such facilitate the subsequent mobilisation of (local) investments in energy efficiency and renewable energy. Sources of funding may come from the private sector, but also other EU-funded instruments, such as the European Fund for Strategic Investments (EFSI), the European Structural and Investment Funds (ESIF), various Project Development Assistance (PDA) facilities, such as the European Local Energy Assistance (ELENA) facility of the European Investment Bank (EIB), or various national investment platforms.

### 1.2 Who can apply for the EUCF?

Municipalities and local authorities, groupings of municipalities/local authorities, as well as local public entities aggregating municipalities/local authorities located in the European Union Member States (EU-27), EEA-EFTA States of Iceland, Liechtenstein and Norway, and the UK are able to apply to receive the EUCF support.

### **1.3 How does the EUCF support municipalities, local authorities, their groupings and local public entities aggregating municipalities/local authorities?**

The EUCF helps municipalities and local authorities, their groupings and local public entities aggregating municipalities/local authorities to implement their energy and climate action plans by providing technical and financial support for the preparation of the Investment Concept (IC), which will enable municipalities and local authorities, their groupings and local public entities aggregating municipalities/local authorities to mobilise financial resources. For detailed information on the EUCF journey, please refer to "[Guidelines for Applicants](#)" which are available on the EUCF website.

### **1.4 What kind of financial support do I receive from the EUCF?**

Successful applicants receive financial support in the form of a **EUR 60,000 grant** for the development of the investment concept.

### **1.5 Which types of investment projects do the EUCF support?**

The EUCF provides support for investment projects within the field of **sustainable energy**, including all investments on the energy demand side, which contribute to the improvement of energy performance and the achievement of energy savings. Among the investment sectors targeted by the EUCF are public, residential buildings and tertiary (non-municipal) buildings, efficiency improvements in equipment/facilities, development and use of building integrated renewables, district heating modernisation or fuel switch to renewables, smart grids, sustainable urban mobility (e.g. public transport, charging stations, etc.), and innovative energy infrastructure (e.g. citizen energy communities, innovative approaches to public lighting, wastewater treatment plants, etc.). Nevertheless, it is also possible to implement projects in further sectors, as long as they are in the field of sustainable energy.

### **1.6 Which types of investment projects are excluded from the EUCF?**

The EUCF is aligned with the European Commission's European Green Deal, 2030 climate & energy framework, 2050 long-term strategy and the EIB's new energy lending policy. Thus, the EUCF has a clear position **not to support investments in energy projects reliant on unabated fossil fuels**, such as the production of oil and natural gas, traditional gas infrastructure, power generation technologies resulting in GHG emissions above 250 gCO<sub>2</sub> per kWh of electricity generated, and large-scale heat production infrastructure based on unabated oil, natural gas, coal or peat.

### **1.7 Are there any case studies or examples of potential investment projects?**

Yes, there are some case studies available on the EUCF website in the "[Knowledge Hub](#)" section, under the Support menu to provide some ideas about the potential measures relevant to the municipal energy efficiency projects.

## 1.8 What is the policy framework for eligible projects to be supported by the EUCF?

In 2019, the EU completed a comprehensive update of its energy policy framework to facilitate the transition away from fossil fuels towards cleaner energy and to deliver on the EU's Paris Agreement commitments for reducing greenhouse gas emissions. The key EU-wide 2030 climate and energy targets include a binding 40% cut in greenhouse gas emissions, at least 32% share for renewable energy and at least 32.5% improvement in energy efficiency. The EU aims to be climate-neutral by 2050 – an economy with net-zero greenhouse gas emissions.

The main policies supporting the agreed EU policy framework is **The Green Deal** – a roadmap for making the EU's economy sustainable by turning climate and environmental challenges into opportunities. The roadmap includes mainly actions to boost the efficient use of resources by moving to a clean, circular economy and restore biodiversity and cut pollution.

It is anticipated that many potential investment projects developed under the EUCF will be financed by the European Investment Bank which is why **the EIB energy lending policy** is also very relevant. The EUCF has a clear position not to support investments in energy projects reliant on unabated fossil fuels, such as the production of oil and natural gas, traditional gas infrastructure, power generation technologies resulting in GHG emissions above 250 gCO<sub>2</sub> per kWh of electricity generated, and large-scale heat production infrastructure based on unabated oil, natural gas, coal or peat.

The main supported projects are in the field of **energy efficiency** (e.g. in buildings and public lighting), **energy supply** (e.g. generation of power and heat from renewable energy sources), **innovation and new types of energy infrastructure** (e.g. electrification of transport) and **enabling infrastructure** (e.g. smart meters, upgrade of district heating and cooling infrastructure).

## 1.9 If a municipality has generally the financial means for their projects, is it possible to apply in order to reduce the cost for the development of the project and foster exchange and expertise?

Yes, the applicant might need technical expertise e.g. if internal capacities are missing, for the development of the Investment Concept, that can be paid through the EUCF.

## 1.10 What technical and capacity building support does the EUCF provide?

The EUCF provides municipalities/local authorities, their groupings and local public entities aggregating municipalities/local authorities with different types of technical support activities along their journey within the EUCF:

- **National webinars, info sessions and regional capacity building events:** Before the opening of each call for applications, the EUCF organises, in cooperation with the national city networks and Country Experts, info sessions in each country to provide

interested municipalities and local authorities, their groupings and local public entities aggregating municipalities/local authorities with more information on the EUCF. Moreover, regional capacity building events, such as peer-to-peer learning opportunities and Communities of Practice, as well as webinars are planned throughout the EUCF journey to support beneficiaries in the development of the investment concept.

- **Support from Country Experts:** Country Experts assist beneficiaries of the EUCF in the application process and with technical and financial expertise in national language during the development process of the investment concept. Country Experts do not develop investment concepts themselves. For each EU-27 Member State the UK, an expert has been assigned, which can be contacted by the municipalities/local authorities and local public entities aggregating municipalities/local authorities of the respective country directly through the EUCF website user zone or email for questions, clarifications and other requests.
- **Support from the EUCF Helpdesk:** Along the entire EUCF journey, the EUCF Helpdesk plays a fundamental role in providing technical support to potential applicants and interested parties, as well as registered applicants and beneficiaries of the EUCF. The [EUCF Helpdesk](#) can be accessed through the EUCF website and the website's user zone, which allows users to easily communicate with the EUCF team and obtain support in case of questions, technical issues, etc.
- **Knowledge products and materials:** Various knowledge tools and documents are provided on the EUCF website to facilitate the application and development process of the investment concept, such as [Glossary](#), [Investment Concept template](#), [Case Studies](#), etc.

Moreover, successful beneficiaries (former EUCF beneficiaries, as well as beneficiaries of other facilities, ELENA, PDA, etc.) will be invited to participate in capacity building and peer-to-peer training events and workshops. Successful beneficiaries of the EUCF can support other municipalities/local authorities both in the application process and on the development of the investment concept.

In order to maximise the financial leverage of individual projects and to aggregate opportunities by region and technology, **Matchmaking events** are planned to engage with the investor network at the local/regional level but also across Europe and EU institutions **Communities of Practice** will bring together supported Investment Concepts exploring similar technologies and covering similar sectors from different parts of Europe.

Access to the **EU pool of experts, hands-on tools and good practice examples** will foster project standardisation and aggregation.

For detailed information on “what technical and capacity building support does the EUCF provide”, please refer to “[Guidelines for Applicants](#)” which is available on the EUCF website.

## 2. Application Process

### 2.1 What is the procedure to receive funding from the EUCF?

The overall application process consists of two main steps: the [eligibility check](#) and the full application.

#### 1) Eligibility check

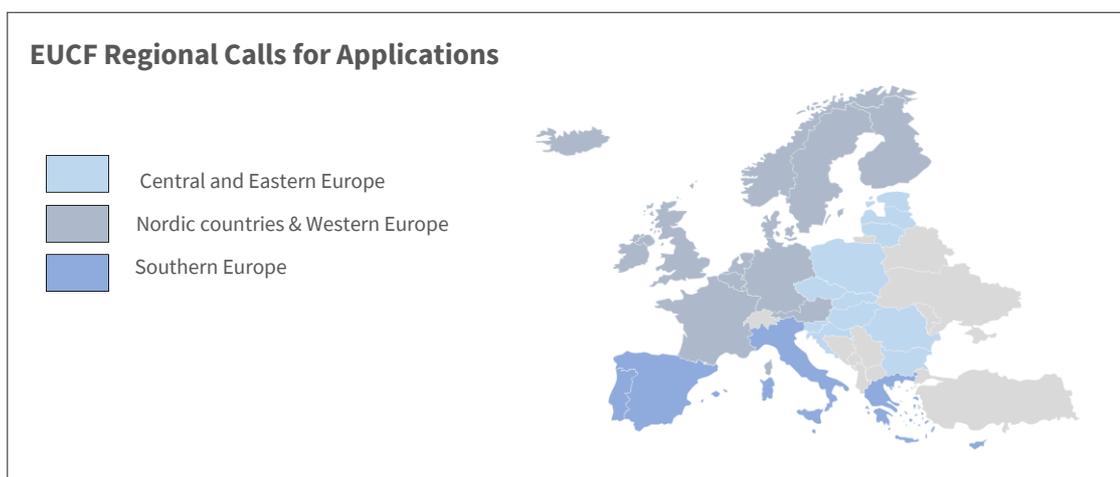
The [eligibility check](#) is a simple, automated questionnaire, which can be answered by the applicant directly [online](#). It verifies whether an applicant is eligible to apply for financial support from the EUCF. To be eligible, applicants must be able to answer with YES to all five requirements. Applicants receive the result of the eligibility check immediately after answering all questions. At this stage, supporting documents are not required.

#### 2) Full application

After successfully passing the eligibility check, the applicant can complete the full application form, prepare the supporting documents and submit them via the EUCF website user zone. Once the call for applications is closed, the applications are evaluated by a dedicated team. The best-scored applications are selected and will conclude the Grant Agreements to receive the EUCF support. Unsuccessful applications can seek support from the EUCF Helpdesk and participate again in the next call for applications.

### 2.2 How are the EUCF calls for applications organised?

Four calls for applications with cut off dates take place within the scope of the EUCF. Each call is organised in parallel for three geographic regions (incl. UK) of the European Union, as displayed in the map below. Beginning with the second call for applications, the EEA-EFTA states of Iceland, Liechtenstein and Norway are also included in the EUCF geographical coverage, in the region of the Nordic countries & Western Europe.



Regional call	Countries
Central and Eastern Europe	Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovenia and Slovakia.
Nordic countries & Western Europe	Austria, Belgium, Denmark, Finland, France, Germany, Iceland, Ireland, Liechtenstein, Luxembourg, Netherlands, Norway, Sweden, the United Kingdom.
Southern Europe	Cyprus, Greece, Italy, Malta, Portugal, Spain.

### 2.3 When are the EUCF calls for applications taking place?

Overall, each call for applications will be open for two months, except for the first call, for which the application period had been extended due to Covid-19. The following tentative timeline applies for the EUCF calls for applications:

Call for Application	Application period
1 <sup>st</sup> call	25 May 2020– 2 October 2020
2 <sup>nd</sup> call	29 March 2021– 31 May 2021
3 <sup>rd</sup> call	15 October 2021 – 17 December 2021
4 <sup>th</sup> call	May – June 2022

The exact dates of the calls and any alterations regarding the opening and closing of application periods will be published on the EUCF website under the section [Open and previous calls](#).

### 2.4 Can municipalities/local authorities or their groupings and local public entities aggregating municipalities/local authorities apply several times and/or resubmit a rejected application for the EUCF grant?

Municipalities/local authorities, groupings of municipalities/local authorities and local public entities aggregating municipalities/local authorities are able to benefit only once from the EUCF support. Thus, successful applicants are not able to participate again in the

calls for applications. Unsuccessful applications, on the other hand, can be revised and re-submitted in the next call for applications. Re-submitted applications should be based on the feedback report received after each submission.

Applicants can submit only one application per call.

## **2.5 How can I seek support in case of questions during the application process?**

Available on the [EUCF website](#), the [Guidelines for Applicants](#) provide a comprehensive source of information about the entire EUCF process. Moreover, a [Glossary](#) of relevant terms is provided to facilitate the applicant's understanding of the EUCF documents. In case of questions that cannot be found in these documents, municipalities, local authorities, groupings of municipalities/local authorities, and local public entities aggregating municipalities/local authorities can seek further support from the [EUCF Helpdesk](#), which provides efficient and timely responses to the queries raised.

Finally, each country is assisted by a National Helpdesk provided by the related country experts, who can provide country-specific responses. The contact details of Country Experts are available here.

## 3. Eligibility Check

### 3.1 Who is eligible to receive EUCF support?

EUCF applicants must comply with the following five eligibility criteria to be eligible for EUCF support:

<b>1. Type of eligible applicants:</b>	<p>EUCF applicants must comply with one of the following options:</p> <ul style="list-style-type: none"> <li>• Municipality/local authority with a <a href="#">Local Administrative Units (LAU) code</a><sup>1</sup> or their groupings;</li> <li>• Local public entity aggregating municipalities/local authorities.</li> </ul>
<b>2. Country of eligible applicants:</b>	<p>EUCF applicants' country must be one of the following options:</p> <ul style="list-style-type: none"> <li>• one of the <a href="#">EU-27 Member States</a>: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden;</li> <li>• the United Kingdom of Great Britain and Northern Ireland;</li> <li>• one of the EEA-EFTA States of Iceland, Liechtenstein and Norway.</li> </ul>
<b>3. Existence of energy and climate plans:</b>	<p>EUCF applicants must have a politically approved climate and energy plan fulfilling one of the following options:</p> <ul style="list-style-type: none"> <li>• Sustainable Energy Action Plan (SEAP), Sustainable Energy and Climate Action Plan (SECAP) developed within the <a href="#">Covenant of Mayors for Climate &amp; Energy initiative</a>, formally approved both by the local council (or equivalent decision-making body) and Joint Research Centre of the European Commission;</li> <li>• Plan of similar ambition: a politically approved climate and energy plan with energy and climate targets at least for the year 2020.</li> </ul>
<b>4. Political commitment:</b>	<p>EUCF applicants must be able to demonstrate political commitment to the project through a letter of support by the Mayor or by another relevant political representative.</p>

<sup>1</sup> The most recent (validated) LAU code applies, which is included in the LAU-NUTS table 2019 for all eligible countries, except for Norway: <https://ec.europa.eu/eurostat/documents/345175/501971/EU-28-LAU-2019-NUTS-2016.xlsx>; For Norway, the most recent version, i.e. LAU-NUTS table 2017, applies: <https://ec.europa.eu/eurostat/documents/345175/501971/EU-28-LAU-2017-NUTS-2016.xlsx>

<b>5. Commitment to monitoring period:</b>	EUCF applicants must demonstrate commitment to the monitoring period of two years after the final submission of the investment concept.
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In order to move to the next stage of the application process, applicants must be able to answer YES to all of the above-mentioned requirements. The eligibility check can be done directly [online](#). After completing the check, applicants are immediately informed about their results and next steps.

### **3.2 Where can I find the eligibility check?**

The [Eligibility check](#) is available on the [EUCF website](#).

### **3.3 What does a plan of similar ambition have to include in order to be equivalent to a SEAP or SECAP?**

Municipalities/local authorities, groupings of municipalities/local authorities, and local public entities aggregating municipalities/local authorities without a Sustainable Energy Action Plan (SEAP) or Sustainable Energy and Climate Action Plan (SECAP), developed in the Covenant of Mayors framework are able to submit a politically approved energy/ climate plan of similar ambition. A plan of similar ambition is considered equivalent to a SEAP/SECAP if it is politically approved and includes energy and climate targets at least for the year 2020.

As part of the full application, SEAPs, SECAPs or plans of similar ambition need to be submitted together with the [template for Annex A2](#) – SEAP, SECAP or plan of similar ambition – Summary, to provide an overview of the main energy and climate targets established by the plan. While the plan can be submitted in national language, the summary must be filled in English.

### **3.4 How can an applicant show political commitment?**

In order to demonstrate political commitment to the development of the investment concept, the EUCF applicant must provide a letter of support, signed by the Mayor or other relevant political representative. The letter of support must be submitted together with the full application in English language. The [template for Annex B](#) is available on the EUCF website and must be used for submission.

### **3.5 Can SEAP or SECAP be submitted in national languages?**

Yes, SEAP, SECAP or a plan of similar ambition can be submitted in the national language and there is no need for translating it into English.

### **3.6 Is SECAP or SEAP necessary for the EUCF application? Or could it be another low carbon strategy, for example, based on local legislation?**

Any other plan with similar ambitions in terms of sustainable energy and greenhouse gas emission reductions are eligible. Such plans must include energy and climate targets at least for the year 2020 and need to be politically approved. Please see also the [Covenant of Mayors website for SECAP ambitions](#). In [Annex A.2](#), applicants need to state when and by whom the plan of similar ambition was politically approved and provide an overview of the main energy/climate targets established.

### **3.7 Are regional energy plans (based on national law) eligible, as SECAPs are on city level?**

Yes, regional energy plans are eligible provided they can be considered of ‘similar ambition’ and include energy and climate targets at least for the year 2020. As for the submission of SEAPs and SECAPs, applicants need to state in [Annex A.2](#) when and by whom the plan was politically approved and provide an overview of the main energy and climate targets established.

### **3.8 Which sectors are eligible?**

Any sector in the field of sustainable energy e.g. energy efficiency and renewable energy are considered as eligible sectors for the EUCF grant.

### **3.9 Would an investment concept preparation for funding from national programme, including the EU structural funds, be eligible?**

Yes, this is eligible. Municipalities and local authorities, groupings of municipalities/local authorities and local public entities aggregating municipalities/local authorities can seek funding from local, national and international sources.

### **3.10 Are Public-private partnership (PPP) projects eligible, in which, for example, a contractor builds a heat network to supply municipality buildings?**

The PPP can be an option for the implementation of the Investment Concept.

### **3.11 Could entities located in islands of the eligible countries apply for the EUCF?**

Any municipalities/local authorities, groupings of municipalities/local authorities and local public entities aggregating municipalities/local authorities located on islands in the EU-27 Member States, EEA-EFTA States Iceland, Liechtenstein and Norway and the UK are eligible for EUCF if they meet the Eligibility Criteria as described in question 3.1 (see 3.1 in the document).

### **3.12 As energy agencies and experts, are we allowed to apply on behalf of our municipalities?**

No, energy agencies and other technical consultancy companies or entities working on behalf of municipalities cannot apply. The application is open exclusively to municipalities, local authorities, groupings of municipalities/local authorities and local public entities aggregating municipalities/local authorities. Through the EUCF grant, such entities may support the beneficiary in providing technical expertise for the development of Investment Concepts.

### **3.13 How will I be informed about the result of the eligibility check?**

You will see the result of the eligibility check on the screen as soon as you answer all questions. If you pass the check, you will be offered a registration to the EUCF website user zone.

### **3.14 Is there any population limit for municipalities/local authorities, groupings or local public entities aggregating municipalities/local authorities to receive the EUCF grant?**

No, there is no minimum or maximum population limit for municipalities/local authorities to apply for the EUCF.

### **3.15 Is there a minimum leverage factor my project has to achieve?**

No minimum leverage factor is required for the EUCF grant; however, the Investment Concept should be at least matching the EU's ambitious energy and climate objectives.

### **3.16 What are the next steps after the eligibility check?**

After successfully passing the eligibility check, applicants fill a registration form and automatically receive per email the login details to access the EUCF website user zone. There, applicants can complete and submit the online application form together with the supporting documents.

## 4. Application Form & Required Documents

### 4.1 Where can I find the EUCF application form?

The online application form is integrated into the EUCF website user zone and accessible for applicants who have successfully completed the eligibility check. After the eligibility check, eligible applicants receive per email the login details to the EUCF website user zone. Potential applicants can take a look at the questions of the application form in advance, available on the [EUCF website](#).

### 4.2 Which information has to be provided in the application form?

The application form consists of a set of questions, grouped into three sections. For each of the sections, the following information has to be provided in English language by the applicant:

#### 4.2.1 Identification of the applicant

This section comprises general information about the applicant, such as contact details, contact persons as well as Local administrative units (LAU) and Nomenclature of Territorial Units for Statistics (NUTS) 3 codes. For groupings, the name of the lead applicant, as well as the LAU and NUTS 3 codes of each participating municipality/local authority have to be provided. In the case of local public entities aggregating municipalities/local authorities, the NUTS 3 area code in which the entity is located must be provided. Moreover, the total population size (absolute number, not displayed as thousands or millions) of the municipality/local authority, grouping or of the area covered by the local public entity aggregating municipalities/local authorities needs to be stated in this section.

#### 4.2.2 Development of the investment concept

In this section, information has to be provided on how the municipality/local authority, grouping, or local public entities aggregating municipalities/local authorities plans to develop the investment concept in the scope of the EUCF. This concerns the period for which the successful applicant receives the EUCF grant. The required items are presented in more detail in the [Guidelines for Applicants](#).

#### 4.2.3 Implementation of investment project

This section presents preliminary information on the proposed investment project for which an investment concept should be developed within the EUCF. The requirements for this section include the 1) Investment sector(s) targeted, 2) Intended measures, 3) Expected size of the investment, 4) Expected impacts, and 5) Potential for replication and/or up-scaling. More details are described in [Guidelines for Applicants](#).

### 4.3 What should be considered when providing the expected size of investment?

The investment size provided by the applicant in the application form should only cover the **investments in sustainable energy of the planned project**, not any other potential components of the project which are not related to sustainable energy. Moreover, the

investment size **does not refer to the EUCF grant amount of EUR 60,000**, but to the total investments in sustainable energy for the planned investment project.

Please note that there is no minimum or maximum threshold for investment size to apply to the EUCF. In the evaluation process, the level of ambition of the expected size of investment of the planned investment project is set into relation to the other submitted applications in the regional call as well as to the (local) context (e.g. population number of municipality/local authority, grouping or local public entity aggregating municipalities/local authorities). Moreover, bundling/pooling of investments is appreciated and the overall coherence and plausibility of the elements are assessed.

#### **4.4 How should I calculate energy savings and/or renewable energy production?**

For the calculation of the expected energy savings and/or renewable energy production of an investment project, applicants must use the [template for Annex D – Estimation of Energy Savings and/or Renewable Energy Production](#). An audio-video book is available on the [EUCF website](#) with step-by-step information on how to fill the template. There is no minimum or maximum threshold for energy savings and renewable energy production to apply to the EUCF. In the evaluation process, the level of ambition of the expected energy savings and/or renewable energy production generated by the planned investment project is set into relation to the other submitted applications in the regional call as well as to the (local) context (e.g. population number of municipality/local authority, grouping or local public entity aggregating municipalities/local authorities). Moreover, the overall coherence and plausibility of the elements are assessed.

#### **4.5 What should be considered when providing the expected impacts?**

The applicant must indicate, in GWh/y, the approximate energy savings and/or renewable energy production expected to be generated by the planned investment project. The [template for Annex D – Estimation of Energy Savings and/or Renewable Energy Production](#) must be submitted with the application to allow for an understanding of the provided value and the parameters used for the estimation. An audio-video book can be found on the [EUCF website](#) with more information on how to fill the template.

If available at this stage, the applicant can state further impacts expected from the investment project such as avoided CO<sub>2</sub> emissions, job creation, etc. and attach the corresponding calculations/supporting documents. The template for Annex D can also be used to estimate the CO<sub>2</sub> emission reductions of the investment project.

#### **4.6 What happens if the exact investment size or energy savings/renewable energy production amount cannot be determined yet?**

In case specific values for the investment size and energy savings/renewable energy production cannot be determined yet, the applicant can use approximate values instead, which still allows the EUCF evaluation team to understand its level of ambition and potential

impacts. Any comments on the values and calculations can be added in the comments section in the templates for Annex D (Energy Savings and/or Renewable Energy Production) and Annex E (Investment Size).

#### **4.7 How should I submit the EUCF application form?**

Submission of applications is only admitted online through the application portal. You create, complete and submit your application online in the EUCF website user zone.

#### **4.8 Which documents must be provided for the EUCF full application?**

##### **Annex A.1: Sustainable Energy Action Plan (SEAP), Sustainable Energy and Climate Action Plan (SECAP) or plan of similar ambition**

A SEAP, SECAP or plan of similar ambition has to be submitted together with the application form to show that the municipality/local authority, grouping of municipalities/local authorities, or local public entity aggregating municipalities/local authorities already have an overall climate/energy strategy in place.

The SEAP defines concrete actions, responsibilities and timing to achieve long-term energy consumption and CO<sub>2</sub> emissions reduction targets as well as demonstrates how the 20% CO<sub>2</sub> emissions reduction commitment by 2020 for Covenant of Mayors signatories is reached. The SECAP is the key document that describes how CO<sub>2</sub> emissions can be reduced by at least 40% by 2030. More information on the SEAP and SECAP can be found on the Covenant of Mayors – Europe website: <https://www.covenantofmayors.eu/en/>. SEAPs and SECAPs must be approved both by the local council and EU Commission to be eligible to receive EUCF support.

In case municipalities/local authorities or local public entities aggregating municipalities/local authorities do not have a politically approved SEAP or SECAP, a plan of similar ambition can be submitted. A plan of similar ambition is considered equivalent to SEAP/SECAP if it includes energy and climate targets at least for the year 2020, formally approved by the Mayor or similar.

The SEAP/SECAP or plan of similar ambition can be submitted in national language or English.

##### **Annex A.2: SEAP, SECAP or plan of similar ambition - Summary**

Together with the SEAP, SECAP or plan of similar ambition, applicants are required to complete the [template for Annex A.2](#) – SEAP, SECAP or plan of similar ambition – Summary to provide an overview of the main energy/climate targets established by the respective plan. Moreover, applicants need to state in the summary, when and by whom the plan was politically approved. While the plan can be submitted in national language, the summary must be filled in English.

##### **Annex B: Letter of support to the project by the Mayor or other relevant political representative**

To demonstrate political support to the development of the investment concept, the EUCF applicant has to submit a letter of support, signed by the Mayor or other relevant political

representative of the municipality/local authority, grouping or local public entity aggregating municipalities/local authorities. The applicants must use the corresponding [template for Annex B](#) for submission. The letter of support must be submitted in English.

**Annex C: Self-declaration form by a representative of the municipality/local authority, grouping, or local public entity aggregating municipalities/local authorities**

In the self-declaration form, the EUCF applicant confirms the authenticity of the general information provided in the application form. Two different [templates for Annex C](#) are provided by the EUCF to be filled according to the type of applicant:

- Municipalities/local authorities or groupings must confirm the authenticity of the information provided in the application form, such as the contact details, NUTS 3 and LAU code.
- Local public entities aggregating municipalities/local authorities must declare that
  - they are officially recognised as a tier of local government (different from the regional and provincial levels) by the national law with the obligation for municipalities/local authorities to join the supra-municipal organisation;
  - they are composed only by municipalities/local authorities;
  - they have a specific political and administrative structure.

The self-declaration form must be signed by the applicant and submitted in English.

**Annex D: Calculation log - Expected energy savings and/or renewable energy production**

In order to allow for an understanding of the energy savings and/or renewable energy generation figure provided and parameters used for the estimation, the EUCF applicants have to submit the corresponding calculation log together with the application in English. The [template for Annex D](#) must be used for the estimation and submission. A [tutorial video](#) is available on the EUCF website with step-by-step information on how to fill the template. Please note that the submission of this template is mandatory.

If available, the supporting documents and/or calculations for any further expected impacts can also be handed in to support the provided figures. The template for Annex D allows also to estimate the reduction of CO<sub>2</sub> emissions achieved by the investment project.

**Annex E: Calculation log - Expected size of investment**

In order to allow for an understanding of the investment size figure provided and parameters used for the estimation, the EUCF applicants have to submit the corresponding calculation log together with the application in English. The [template for Annex E](#) must be used for the estimation and submission. A [tutorial video](#) is available on the EUCF website with step-by-step information on how to fill the template. Please note that the submission of this template is mandatory.

For more details on the requirements for the supporting documents please see the [Guidelines for Applicants](#) (2.4.2.). All the Annexes are provided and accessible on [the EUCF website](#).

#### **4.9 Can the application be submitted with supporting documents missing?**

Annex A.1 (SEAP, SECAP or plan of similar ambition and corresponding summary of the plan), Annex A.2 (SEAP, SECAP or plan of similar ambition – Summary), Annex B (Proof of political commitment), Annex C (Self-declaration form), Annex D (Estimation of Energy Savings and/or Renewable Energy Production) and Annex E (Estimation of Investment Size) must be submitted for the application to be considered in the evaluation process. For the submission of the supporting documents, the templates provided by the EUCF must be used. It is not mandatory to submit any supporting documents or calculations for additional expected impacts.

#### **4.10 How can I deliver the required documents for the EUCF application?**

All the required documents are uploaded to the online application in the EUCF website user zone. The required documents must be submitted in pdf and/or excel format. Templates are provided for the submission of the supporting documents and can be downloaded on the [EUCF website](#).

#### **4.11 In which language should I fill out the application form? Is it possible to submit supporting documents in the national language?**

The application form must be completed in English. Please note that applications submitted in a different language than English will be rejected. It is possible to submit the SEAP, SECAP or plan of similar ambition in the national language. All other supporting documents must be submitted in English language. To facilitate this, the EUCF provides templates for the required documents.

#### **4.12 Are there templates available for the required documents?**

Yes, the use of the EUCF templates is mandatory for the submission of the supporting documents to the application. The following templates for the supporting documents can be found on the [EUCF website](#):

- **Annex A.2:** SEAP, SECAP or plan of similar ambition - Summary
- **Annex B:** Letter of support to the project by the Mayor or other relevant political representative
- **Annex C:** Self-declaration form by a legal representative of the applicant; two templates are available:
  - (a) For municipalities/local authorities and groupings;
  - (b) For local public entities aggregating municipalities/local authorities.
- **Annex D:** Estimation of Energy Savings and/or Renewable Energy Production
- **Annex E:** Estimation of Investment Size

#### **4.13 What are the NUTS and LAU codes and where can I find them?**

The [Nomenclature of Territorial Units for Statistics \(NUTS\)](#) is a territorial classification that subdivides the territory of the European Union, the UK and the EEA-EFTA States into three

different hierarchical levels (NUTS 1, NUTS 2 and NUTS 3) for statistical and planning purposes. The NUTS 3 classification corresponds to *small regions for specific diagnoses* at a regional level.

Concerning the local level, a system of [Local Administrative Units \(LAUs\)](#) is maintained in compatibility with the NUTS system. LAUs are subdivisions of the NUTS 3 regions, covering the whole economic territory of each EU Member State, the UK and the EEA-EFTA States.

The respective NUTS 3 and LAU codes can be found on the yearly updated list, available on the [Eurostat website](#):

The most recent (validated) [LAU](#) code at the moment of writing the FAQs applies, which is included in the [LAU-NUTS table 2019](#) for all eligible countries (except for Norway). For Norway, the most recent version at the moment of writing the FAQs, i.e. the LAU-NUTS table 2017 applies.

For municipalities/local authorities and groupings, the NUTS 3 codes can be selected from a drop-down list in the application form and the corresponding LAU codes are assigned automatically based on the postal codes provided. Local public entities aggregating municipalities/local authorities must indicate through the drop-down list the NUTS 3 area code in which they are located. The NUTS 3 code is only asked for statistical reasons.

#### **4.14 Can I apply for the EUCF financial support several times?**

Municipalities and local authorities, their groupings and local public entities aggregating municipalities/local authorities can apply for the EUCF grant several times, but the grant can be awarded only once. Applicants can submit only one application per each call, either alone or in a group.

## **5. Application by Grouping of Municipalities/Local Authorities**

### **5.1 What should be taken into account when applying as a grouping?**

Groupings of municipalities/local authorities are highly encouraged to apply for the EUCF. When applying as grouping, the following points have to be considered:

- Both formal (e.g. formalised by an assembly act) and informal groupings are invited to apply.
- One responsible partner, i.e. one lead applicant has to be defined.
- In the application form, the relations and decision-making processes within the grouping for the development of the investment concept have to be outlined.
- Either the lead applicant or the grouping needs to have a SEAP, SECAP or plan of similar ambition and provide the other supporting documents.
- As the EUCF aims to support especially small and medium-sized municipalities/local authorities and if feasible encourages them to team up, groupings are appreciated in the evaluation process.
- In case the application is successful, the grant amount of EUR 60,000 is awarded to the grouping as a whole. Thus, the lump sum is awarded per application, not per municipality/local authority.
- Lead applicant is responsible to sign the Grant Agreement and disburse the amount among the partners.
- Grouping formed by local public entities aggregating municipalities/local authorities is not eligible for EUCF.

### **5.2 Who qualifies as part of a grouping?**

Formal or informal groupings of municipalities/local authorities are eligible to apply. They have to define one lead applicant.

### **5.3 Can local public entities apply to the EUCF as a grouping?**

No, applications by groupings of local public entities aggregating municipalities/local authorities are not possible. See question 6.1 for more information on what to consider when applying as a local public entity.

### **5.4 Does each partner have to provide a SEAP, SECAP or plan of similar ambition?**

No, only the lead applicant must have a politically approved SEAP, SECAP or plan of similar ambition. Joint action plans prepared collectively by a grouping of municipalities/local authorities are also accepted.

### **5.5 How do groupings prove political commitment?**

The proof of political commitment to the development of the investment concept through a letter of support by the Mayor or other relevant political representative must be submitted only by the lead applicant of the grouping.

### **5.6 How is the EUCF Grant Agreement signed by groupings?**

Groupings are not obliged to form a joint legal body but they have to define a *lead applicant*. This lead applicant will sign the Grant Agreement with the EUCF and receive the lump sum which can be then used according to the consortium's internal agreement/governance they put in place.

### **5.7 Is the EUCF grant divided among the members of the groupings?**

The grant amount of EUR 60,000 is awarded to the grouping as a whole. Thus, the lump sum is awarded per application, not per municipality/local authority.

### **5.8 In the case of grouping, can a municipality that has been a part of an application as grouping apply again but alone?**

If the grouping application has been successful, the municipality cannot apply again alone. If the application has been unsuccessful, the municipality can apply again – either in the grouping or alone.

## 6. Application by local public entities aggregating municipalities/local authorities

### 6.1 What has to be considered when applying as a local public entity?

Local public entities aggregating municipalities/local authorities are also able to apply for EUCF support. When applying as a local public entity, the following points have to be considered:

- Local public entities aggregating municipalities/local authorities need to declare in the self-declaration form that i) they are officially recognised as a tier of local government (different from the regional and provincial levels) by the national law with the obligation for municipalities/local authorities to join the supra-municipal organisation; (ii) they are composed only by municipalities/local authorities; (iii) they have a specific political and administrative structure. A [template for Annex C](#) - Self-declaration form for local public entities is provided by the EUCF.
- Local public entities aggregating municipalities/local authorities require their own politically approved SEAP, SECAP or plan of similar ambition that covers their geographical area.
- Local public entities aggregating municipalities/local authorities are not able to apply to the EUCF as groupings.

### 6.2 Who qualifies as a local public entity aggregating municipalities/local authorities?

Local public entities aggregating municipalities/local authorities may vary from country to country. Applicants included in this category must submit a self-declaration (Annex C) confirming their eligibility. Eligible entities must fulfil all of the following criteria:

- Eligible public entities must be officially recognised as a tier of local government<sup>2</sup> (different from the regional and provincial levels) by national law with the obligation for municipalities/local authorities to join the supra-municipal organisation;
- Eligible public entities must be composed only by municipalities/local authorities<sup>3</sup>; and
- Eligible public entities must have a specific political and administrative structure.

Applicants are encouraged to check their potential eligibility before preparing the application by contacting the [EUCF Country Experts](#) and [EUCF Helpdesk](#).

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<sup>2</sup> Public agencies and public companies (such as in the field of energy/waste management, economic development, touristic promotion, etc.) and/or other legal entities and/or non-profit organisations (e.g. collectives, institutions, associations, agencies etc.) which are fully or partially owned by the municipality/local authority and/or any eligible applicant, and/or which are fully or partially managed/supervised by the municipality/local authority and/or any eligible applicant, are not considered as local governments and therefore cannot be recognised as eligible public entities.

<sup>3</sup> This category does not include associations involving other public and/or private entities such as universities, chambers of commerce, energy agencies, regions etc.

### 6.3 Are there examples for potential eligible local public entities?

Yes, the list below provides **a set of examples (non-exhaustive list, in national languages)** of potentially eligible applicants included in this category.

Country	Examples of public entities <sup>4</sup>
Croatia	Urbane aglomeracije: urbana aglomeracija Zagreb, sa sjedištem u Zagrebu; urbana aglomeracija Split, sa sjedištem u Splitu; urbana aglomeracija Rijeka, sa sjedištem u Rijeci; urbana aglomeracija Osijek, sa sjedištem u Osijeku
Finland	Seutukunta
France	Communautés des communes. The list of Communautés des communes can be found <a href="#">here</a> Communautés d'agglomération. The list of communautés d'agglomération can be found <a href="#">here</a> Communautés urbaines. The list of communautés urbaines can be found <a href="#">here</a> Métropoles. The list of Métropoles can be found <a href="#">here</a>
Germany	Landkreise. The list of Landkreise can be found <a href="#">here</a>
Hungary	Budapest Főváros, Kistérség
Italy	Unioni dei Comuni, Comunità Montane, Unioni Montane, Comunità isolate o di arcipelago. The list of Unioni dei Comuni can be found <a href="#">here</a> Città metropolitane, as defined by art. 1, comma 5, L. n. 56/2011 or any further modification in force prior to the closing date of the EUCF Call, and any other città metropolitana ufficialmente definita in any of the "Regioni a statuto speciale" prior to the closing date of the EUCF Call
Portugal	Área Metropolitana and Comunidade Intermunicipal, as defined Lei n.º 75/2013, de 12 de setembro, and any further modification in force prior to the closing date of the EUCF Call. The list can be found <a href="#">here</a>
Spain	Mancomunidad, áreas metropolitanas
United Kingdom	Combined Authorities

### 6.4 Do local public entities require an own SEAP, SECAP or plan of similar ambition?

Yes, local public entities aggregating municipalities/local authorities need to have their own politically approved SEAP, SECAP or plan of similar ambition, covering their geographical area.

### 6.5 Can a municipality/ local authority or a grouping of municipalities/ local authorities from the geographical area covered by a given public entity aggregating the same municipality (ies) apply to the EUCF if that public entity is also applying for the EUCF in the same call?

Public entities aggregating municipalities/local authorities are different organisations, with different legal status, from municipalities/local authorities or their groupings, and normally

<sup>4</sup> The entities included in this list are examples only. Entities not listed in this table but fulfilling the criteria set above are considered potential eligible applicants. The EUCF considers as eligible applicants any equivalent entity to those listed in the table officially defined by the laws and lists included in this table or by any further modification in force prior to the closing date of the EUCF Call.

have different competencies. Therefore municipalities/local authorities or grouping of municipalities/local authorities can apply to the EUCF in the same geographical area covered by a public entity that is also applying for the EUCF in the same call.

**6.6 Can a municipality/local authority or a grouping of municipalities/local authorities from the geographical area covered by a given public entity aggregating the same municipality/ies apply to the EUCF if that public entity has already received financial support from the EUCF?**

Public entities aggregating municipalities/local authorities are different organisations, with different legal status, from municipalities/local authorities or their groupings, and normally have different competencies. Therefore municipalities/local authorities or grouping of municipalities/local authorities can apply to the EUCF in the same geographical area covered by a public entity that is already being supported by the EUCF.

## **7. Evaluation and Selection of Beneficiaries**

### **7.1 What is the procedure for evaluating the applications?**

The evaluation of the EUCF applications is conducted after the close of each call for applications by a dedicated evaluation team, composed of evaluators from Adelphi and ENVIROS (neither Energy Cities nor Climate Alliance, nor FEDARENE is involved in the evaluation process). Each application is evaluated individually by at least two different evaluators. The evaluators verify if Annex A.1 (SEAP, SECAP or plan of similar ambition), Annex A.2 (SEAP, SECAP or plan of similar ambition – Summary), Annex B (Proof of political commitment), Annex C (Self-declaration form), Annex D (Estimation of energy savings and/or renewable energy production) and Annex E (Estimation of investment size) have been submitted and contain the required content. In case of incomplete documents, the application is rejected and the applicant receives an email notification from the EUCF website user zone. Any questions/complaints on the outcome of the document check can be raised within 10 working days, counted from the day the e-mail was sent. Applications are then evaluated based on five evaluation criteria. At the end of the evaluation process, each applicant is informed about the final result with corresponding feedback through a feedback report. The best-scored applications are selected to receive EUCF support. Rejected applications can seek support from the EUCF Helpdesk and are able to participate again in the next call for applications. Any questions/complaints on the outcome of the final results can be raised within 10 working days from the date the notification email is sent.

### **7.2 What are the criteria for evaluating the applications?**

The EUCF applications are evaluated based on the following five evaluation criteria: (A1.) investment size, (A2.) Energy savings, (B1.) Governance structure, (B2.) Stakeholder engagement and (B3.) Alignment with the EUCF objectives. For detailed information on “Evaluation criteria” and “how are applications scored”, please refer to the [“Guidelines for Applicants”](#).

### **7.3 How long does it take to receive the evaluation results?**

The evaluation process takes approximately two months from the end of the respective call. After this period, applicants will be informed about the final result.

### **7.4 How will I be informed about the final results?**

After the finalization of the evaluation process, you will be informed via email about the results and a feedback report will be available in the EUCF website user zone. Any questions/complaints on the outcome of the final results can be raised within 10 working days from the date the notification email is sent.

### **7.5 Does the EUCF require a minimum or maximum investment size included in the IC?**

There is no required minimum or maximum size of the project; however, in the evaluation process, the level of ambition of the expected size of investment of the planned investment project is set into relation to the other submitted applications in the region (regional call) as well as to the local context. Moreover, bundling/pooling of investments is appreciated and the overall coherence and plausibility of the elements are assessed.

### **7.6 At the evaluation phase is there a preference toward smaller local authorities than larger ones (e.g. a 20,000 population against a 2 million city)?**

Overall, the vision is to support smaller and medium-sized municipalities and local authorities which often have less capacities. During the evaluation, the local context is considered for scoring criteria (A1.) Investment size and (A2.) Energy savings. So, for example, if the energy savings are very ambitious for a small local authority, this will be considered for the final score.

### **7.7 What are the next steps in case my application is selected?**

As a next step, successful applicants conclude a Grant Agreement to receive the EUCF support. The time period foreseen for the preparation and signature of the Grant Agreement is 2 (two) months as of the day when the successful applicant was informed about its selection for the EUCF support. After the signature of the Grant Agreement, each applicant has a period of 12 months to develop the investment concept.

If the successful applicant fails to sign the EUCF Grant Agreement within the given period, the EUCF reserves the right to annul the “awarding decision”, whereby consequently, an agreement with such applicant shall not be concluded, i.e., such applicant shall not be awarded with the respective financial support.

If applications with a higher ranking drop out or fail to sign the EUCF Grant Agreement, the next applicant originally placed on the waiting list of the corresponding call (see 3.2.4 in the guidelines for applicants), will be contacted by email. The applicant will have 10 (ten) working days to express its interest in proceeding to the signature of the EUCF Grant Agreement.

In parallel to this process, Country Experts organise a conference call with their respective beneficiaries for a capacity needs assessment to better understand the planned activities and to identify the needs for support to develop the investment concept. Beneficiaries are also able to ask any questions regarding the Grant Agreement during the conference call.

### **7.8 Will the application with a high replication potential be a positive element in the evaluation?**

Yes, the alignment of the application with the EUCF objective is taken into account. EUCF objective is to build a substantial pipeline of sustainable energy investment projects across

cities in Europe. If the application demonstrates the potential of developing a sound (and new) investment concept including a consideration of its potential for replication and up-scaling, this will be appreciated in the scoring of criteria B3.

### **7.9 Can I appeal to reconsider the decision made by the evaluation team?**

Any questions/complaints on the outcome of the final results can be raised within 10 working days from the date the notification email is sent.

### **7.10 What happens in case my application is unsuccessful?**

Unsuccessful applications will receive a feedback report of the evaluation and can seek support from the EUCF helpdesk team on how the application could be improved.

The support provided to unsuccessful applicants includes also a webinar organised by the EUCF to discuss and share the challenges met in the application process. Municipalities and local authorities, groupings and local public entities aggregating municipalities/local authorities that are not selected in one call for applications are able to participate again in the next calls.

Applications with scores above the quality thresholds, but initially not high enough in the ranking to be selected for funding (due to budgetary limits), are placed on a waiting list. These applicants might be invited to Grant Agreement preparation if applications with a higher ranking drop out or fail to sign the EUCF Grant Agreement. They will be informed accordingly (for more information, please see 3.2.3 in the guidelines for applicants).

## 8. Grant Agreement

### 8.1 Which information is provided in the Grant Agreement?

The [Grant Agreement](#) sets out the terms of the relation between the beneficiary and Energy Cities, the coordinator of the EUCF, defining roles and responsibilities, milestones, and the timeline for the development of the investment concept. Moreover, the Grant Agreement determines the disbursement of the EUCF grant and requires the beneficiary to commit to the EUCF monitoring period in the implementation phase of the investment concept. A template of the Grant Agreement is provided on the EUCF website.

### 8.2 What is the timeline for the signature of the EUCF grant agreement?

The time period foreseen for the preparation and signature of the Grant Agreement is 2 (two) months as of the day when the successful applicant(s) was/were informed about its/their selection for the EUCF support.

If the successful applicant fails to sign the EUCF Grant Agreement within the given period, the EUCF reserves the right to annul the “awarding decision”, whereby consequently, an agreement with such applicant shall not be concluded, i.e., such applicant shall not be awarded with the respective financial support.

### 8.3 How is the EUCF grant paid?

The grant amount will be disbursed as follows:

- Pre-financing of 70% of the total amount at the Grant Agreement signature;
- Final payment of 30% of the total amount after positive validation of the investment concept.

### 8.4 In case a ‘grouping of cities’ apply for the EUCF grant, should all cities sign the Grant Agreement?

Only the lead applicant is responsible to sign the Grant Agreement and disburse the amount among the partners.

### 8.5 Where can I find the template of the EUCF Grant Agreement?

The model of the EUCF Grant Agreement can be downloaded here: [https://www.eucityfacility.eu/fileadmin/user\\_upload/Model\\_EUCF\\_Grant\\_Agreement.pdf](https://www.eucityfacility.eu/fileadmin/user_upload/Model_EUCF_Grant_Agreement.pdf)

## 9. Development of Investment Concept

### 9.1 What is an Investment Concept (IC)?

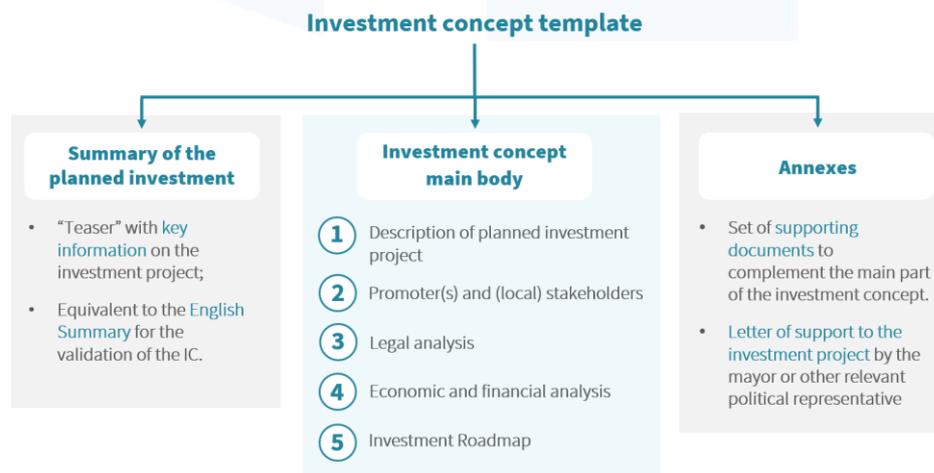
An Investment Concept is a document that **translates an investment project idea into a financial language** in order to mobilise financing for its realisation. It aims to bridge the process path between the project idea and the business/financing plan.

The purpose of an investment concept is to provide investors and financial institutions with the information necessary to **assess an investment project in a simple and fast manner**. It converts climate and energy plans or part of its measures into sound investment packages and thus, facilitates access to funding for municipalities/local authorities and local public entities aggregating municipalities/local authorities.

So far, many municipalities/local authorities, groupings of municipalities/local authorities and local public entities aggregating municipalities/local authorities have developed ambitious climate and energy action plans but had difficulties accessing appropriate funding. In turn, financial institutions are more and more interested in financing sustainable energy projects but have problems in finding investment projects that fulfil their requirements. This document shall help in bridging this gap.

### 9.2 What is the structure of an investment concept?

In order to facilitate the development of the investment concept for the EUCF beneficiaries, an [investment concept template](#) has been developed in close consultation with EUCF key stakeholders, i.e. financial institutions, municipalities and local authorities as well as climate and energy experts. The investment concept template follows the following structure:



- A one-page summary (“teaser”/“elevator pitch”) with key information on the investment project (such as estimated costs and revenues, financial indicators and expected impacts. This summary shall be developed in English and potentially be made public in the EUCF communication channels.
- The main body consists of five sections: i) Description of the planned investment project, ii) Promoter(s) and (local) stakeholders, iii) Legal analysis, iv) Economic and financial

analysis and v) Investment Roadmap. The main body can be developed in national language or English, according to the preference of the beneficiary.

- Supporting documents can be attached as Annexes to complement and provide details on the main part.

### 9.3 Which information has to be provided in an investment concept?

A [template](#) for the development of the investment concept is available on the EUCF website. The main part of the IC is based on a 5-point structure:

- A detailed description of the planned investment project
- Project promoter(s) and (local) stakeholders
- Legal analysis
- Economic and financial analysis
- Investment roadmap

For detailed information on “Investment Concept”, please refer to section 4.1.3 of the [“Guidelines for Applicants”](#) which is available on the EUCF website.

### 9.4 Who can develop an investment concept?

The investment concepts are developed by the beneficiary municipalities/local authorities, groupings of municipalities/local authorities or local public entities aggregating municipalities/local authorities either completely in-house if enough internal capacities are available or they can engage external experts for support. Country Experts assist beneficiaries in their respective countries in this process, but cannot be sub-contracted to develop investment concepts.

### 9.5 What support do beneficiaries receive from the EUCF for the development of the IC?

The EUCF provides different means of support for beneficiaries throughout the development of the investment concept:

- **Financial support** is provided in the form of a EUR 60,000 lump sum for activities necessary for the development of the investment concept, such as feasibility studies, engineering analyses, legal analyses, social studies, market studies, financial analyses, etc.
- **Technical support** is provided through the respective country experts, which are assigned for each EU-27 Member State and the UK to offer beneficiaries locally-rooted technical and financial expertise. The EUCF team can also be contacted for any sort of queries regarding the investment concept through the EUCF Helpdesk.
- **Capacity building** opportunities are provided through regional events organised by the EUCF on the topic.

- **Standard tools and documents**, such as the [Knowledge Hub](#) on the EUCF website and investment concept template, are provided to facilitate the development of the Investment Concept.

### **9.6 What is the timetable for the development of the investment concept?**

EUCF beneficiaries shall develop the investment concept within twelve months from the Grant Agreement signature.

### **9.7 What has to be submitted together with the investment concept?**

As the investment concept can be developed in national language, beneficiaries are also asked to draft a corresponding [English Summary](#) directly in the EUCF website user zone. The English Summary of the investment concept is kept concise, comprising of key figures of the planned investment, including financial and impact indicators that allow for a good overview and understanding of the proposed investment. Together with the completed English Summary of the investment concept in the EUCF website user zone, the following documents have to be submitted for validation:

- Final investment concept, including all Annexes;
- Letter of support to the investment project by the Mayor or other relevant political representative (A corresponding [template](#) is provided to facilitate the preparation).

### **9.8 Can the IC be submitted in the national language?**

Yes, the Investment Concept can be submitted in the national language. The only requirement is to make a short summary in English which will be used for the validation of the Investment Concept.

### **9.9 Does the development of investment concepts include the development of technical documentation as well?**

No, detailed technical design is not required, but main technical parameters and detailed calculation of energy savings and CO<sub>2</sub> emission reduction resulting from measures drafted in the IC are required.

### **9.10 Is it possible to download the IC template to work on it and upload it afterwards?**

The IC template (in national languages) is available on the [EUCF website](#), so it can be easily downloaded at any time. When the beneficiary has the final version, it has to be uploaded in pdf format.

## 10. Validation and Implementation of Investment Concept

### 10.1 How is the investment concept validated?

Once the final investment concept and corresponding documents are submitted, the respective evaluator verifies if all necessary documents have been uploaded and contain the required content (e.g. if all chapters of the final investment concept have been completed). If the documents are incomplete or have content issues, the beneficiary is informed via the EUCF website user zone and has the possibility to resubmit the adjusted documents within seven days.

The validation of the investment concept is conducted by a dedicated evaluation team, with evaluators from adelphi and Enviros. The investment concept is validated with the help of four quality criteria that have to be met in order to receive the second payment of the EUCF grant, corresponding to 30% of the total value and to proceed with the investment concept implementation.

An overview of the quality criteria for the investment concept validation is provided in the table below:

Quality criteria	Requirement
<b>A. Consistency</b>	The information provided in the IC is consistent and in line with the information provided in the full application and in the EUCF Grant Agreement. The beneficiary has not undertaken any modifications that alter the overall rationale of the planned investment project, e.g. the IC targets the same investment sector(s); the investment size, as well as the impact and financial indicators, are equal or higher than those provided at the full application and Grant Agreement stage, etc. If values deviate from those previously provided and/or if indicators are more than 10% lower, a justification has to be provided by the beneficiary.
<b>B. Coherence and plausibility</b>	The information provided in the IC allows for a clear understanding of the planned investment (including individual components such as funding sources). The provided components are coherent and realistic without opposing/contradicting or ambiguous information. A plausibility check between components (e.g. simple payback period in relation to energy savings and investment size) confirms this assessment. In case components are not plausible, a justification has to be provided by the beneficiary.
<b>C. Alignment with EUCF objectives</b>	The proposed investment is aligned with the ultimate objective of the EUCF, i.e. to build a substantial pipeline of sustainable energy projects across cities in Europe by providing targeted financial, technical, legal and capacity-building support. A sound IC in the field of sustainable energy has been developed by the beneficiary with the potential for successful implementation.
<b>D. Realisation potential</b>	A letter of support to the investment project by the mayor or other relevant political representative has been submitted together with

	the IC. The content of the letter demonstrates the political will of the municipality/local authority, grouping or local public entity aggregating municipalities/local authorities for the realisation of the investment project (e.g. by highlighting the relevance of the investment project for the municipality/local authority or local public entity, by describing the next steps planned to launch the investment, etc.).
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Each investment concept is validated by two evaluators. If the investment concept complies with all quality criteria, it is positively validated. After the positive validation by both evaluators, the beneficiary receives a corresponding notification, feedback report and the payment of the final 30% of the total EUCF grant amount is disbursed within 30 days from the validation of the investment concept.

In case of negative validation by both evaluators, the beneficiary is notified via the EUCF website user zone about areas with the need for improvement in the investment concept and/or other submitted documents. The beneficiary has the possibility to make adjustments and/or provide justifications within 30 days. The resubmitted investment concept passes again through the validation process.

In case of discrepancies in the assessment of the evaluators of one or more quality criteria, a third evaluator validates the investment concept. If the third evaluator also identifies quality issues in the investment concept, the beneficiary is notified via the EUCF website user zone about the possibility for adjustments.

If, after resubmission of the investment concept, the evaluators come again to the conclusion that the quality criteria are not met, the investment concept is negatively validated. In this case, the beneficiary is notified and has to complete the Investment Concept Non-development report.

If the investment concept is not resubmitted, the beneficiary receives a corresponding notification and is asked to complete the Investment Concept Non-development report.

## 10.2 Who validates the investment concept?

The validation of the final investment concept is conducted by a dedicated EUCF evaluation team, composed of evaluators from adelphi and ENVIROS.

## 10.3 How can a beneficiary receive support after the validation of the Investment Concept?

Following the support activities during the development of the investment concept, the second set of support accompanies the implementation of the investment concepts and aims at bringing in touch EUCF beneficiaries with the investor community. The EUCF accompanies the implementation process by organising matchmaking events, Communities of Practice and other capacity building events where EUCF beneficiaries are highly encouraged to participate. Moreover, the [EUCF Helpdesk](#) is available for beneficiaries to address the EUCF team in case of questions regarding the implementation of the investment concept, the procedures for monitoring and reporting and the potential aggregation/joint procurement of projects.

#### **10.4 Are the beneficiaries obliged to prove how they have used the lump sums?**

The beneficiaries should keep any invoice and financial report on records for monitoring purposes.

#### **10.5 What happens if the Investment Concept cannot be completed in the foreseen time period or is negatively validated?**

One month before the submission deadline, beneficiaries will receive an automatic reminder to submit the investment concept. If the beneficiary requires an extension of one month, she/he has to provide a justification and ask for approval by the EUCF coordinator via the EUCF website user zone. The EUCF coordinator will decide case-by-case if the explanation is justified or not. The beneficiary will receive a corresponding e-mail notification.

In case the beneficiary is not able to complete the investment concept in the (extended) time period or the investment concept is negatively validated, she/he will be required to complete an “IC Non-development” report on the EUCF website user zone within 30 days. The purpose of this report is to provide an overview of the challenges that occurred during the development of the investment concept and to reflect on the learnings from this process. In order for beneficiaries to keep the pre-financing of the EUCF grant amount, the EUCF coordinator has to approve the IC Non-development report. The final payment, i.e. 30% of the total grant amount, will not be disbursed.

Overall, the EUCF Team and the respective Country Expert assist municipalities/local authorities and local public entities aggregating municipalities/local authorities throughout the development process of Investment Concepts and strive to minimise such situations through the technical support provided. Nevertheless, if they occur, it is the objective to jointly learn from the experiences.

#### **10.6 Do beneficiaries of the EUCF have to implement the investment concept?**

EUCF beneficiaries are highly encouraged to seek funding from investors and financial institutions and implement their investment concepts. Beneficiaries are able to share their experiences and hurdles by participating in matchmaking events, Communities of practice, and other capacity building events that are organised by the EUCF, and can benefit from the EUCF Helpdesk to address the EUCF team in case of questions regarding the implementation of the investment concept, the procedures for monitoring and reporting and the potential aggregation/joint procurement of projects.

#### **10.7 Can a beneficiary use the EUCF support to develop an investment concept with a different scope from the one awarded during the application phase?**

The EUCF beneficiary cannot use the EUCF support to develop an investment concept with a different scope from the one awarded during the application phase.

### **10.8 What are the monitoring procedures?**

EUCF beneficiaries must commit to a monitoring period of two years, in which the implementation of the investment concept is supervised and documented. During this period, beneficiaries are required to notify the EUCF of the implementation process by submitting two simple monitoring forms after one and two years, respectively - on key figures of the results and impacts achieved through the implementation of the investment concept. Changing the scope of the investment concept is not accepted. The collection of data through the monitoring forms allows to identify and assess the impacts of the EUCF.

### **10.9 How can the measures developed in the investment concept be financed?**

During the implementation of the investment concept phase, there is no preference among financing sources. The municipality/local authority or local public entity aggregating municipalities/local authorities can access any type of funding through banks, private investors, ESIF, national funds, local funds, crowd funding, EPCs, etc. To learn more about financing opportunities for sustainable energy and climate action plans, please see [Covenant of Mayors funding guideline](#).