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Issuance Date:	February 27, 2013
Pre-Application Conference:	March 20, 2013
Deadline for Receipt of Questions:	March 26, 2013 16:00 Hours Local Tbilisi Time
Closing Date and Time for Submission of Applications:	April 26, 2013 16:00 Hours Local Tbilisi Time

Subject: Request for Applications (RFA) No. RFA-114-13-000003
Enhancing Capacity for Low Emission Development Strategies (EC-LEDS)
Clean Energy Program

The United States Agency for International Development (USAID), through the Regional Contracting Office in Tbilisi, Georgia is seeking applications from qualified Non-Governmental Organizations (NGOs), Public International Organizations (PIOs), Educational Institutions and other qualified organizations for a Cooperative Agreement to implement a program entitled "Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) Clean Energy Program." The authority for this Request for Application (RFA) is found in the Foreign Assistance Act of 1961, as amended. The CFDA Number for this funding opportunity is 98.001.

Pursuant to 22 CFR 226.81, it is USAID policy not to award profit under assistance instruments. All reasonable, allocable, and allowable expenses, however, both direct and indirect, which are related to the agreement program and are in accordance with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organization, OMB Circular A-21 for universities, the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations, and the Mandatory Standard Provision "Allowable Costs (APR 2011)" for public international organizations), may be paid under the cooperative agreement.

Applicants under consideration for an award that have never received funding from USAID will be subject to a pre-award survey to determine fiscal responsibility, ensure adequacy of financial controls, and establish an indirect cost rate. USAID encourages applications from potential new partners.

In accordance with ADS Chapter 303.3.6.6.b. (3), USAID/Georgia intends to implement the EC-LEDS Clean Energy Program through a transition award. The purpose of the transition award is to build local capacity of sub-recipient(s) so that they may be eligible to receive a direct award from USAID. The initial 4-year award will be made to an international recipient to implement the program in years 1, 2 and 3. However, the prime international recipient will be responsible for identifying local partner(s) —preferably in the application phase— that will eventually become the prime recipient in year 4. In year 3, the international prime recipient will start a gradual phase-out from the project and transfer more responsibilities to one or more local recipient(s). By the end of year 3, USAID will make a 2-year award – in an amount estimated at $1,630,000- without competition, to one or more local organization(s) that were previously sub-recipients under the prime award (or "initial award"). In year 4, the prime international recipient(s) will retain only a technical advisory function to support the local recipient (s), which will be responsible for all programmatic activities during the last two years of the program.

This Request for Applications represents Phase I of the core of this multi-year program.

Subject to the availability of funds, USAID intends to issue an award in an amount not to exceed $6,129,000 in total funding. The U.S Dollar amount will be funded from USAID appropriated funds, to be allocated over a four year period. The anticipated start date for this activity is September 2013. One award is anticipated as a result of this RFA. USAID reserves the right to fund any or none of the applications submitted and will determine the resulting level of funding for the award.

Eligible organizations interested in submitting an application are encouraged to read this RFA thoroughly to understand the type of project sought and the application submission requirements and evaluation process.

To be eligible for award, the applicant must provide all required information in its application, including the requirements found in any attachments to this Grants.gov opportunity. This RFA consists of this cover letter plus the following Sections:

1. Section I – Funding Opportunity Description
2. Section II – Award Information
3. Section III – Eligibility information
4. Section IV – Application and Submission Information
5. Section V – Application and Review Information
6. Section VI – Award Administration Information
7. Section VII – Agency Contacts
8. Section VIII – Annex

This funding opportunity is posted on www.grants.gov and may be amended. Potential applicants should regularly check the website to ensure they have the latest information pertaining to this RFA. Applicants will need to have available or download Adobe program to their computers in order to view and save the Adobe forms properly. If you have difficulty registering on www.grants.gov or accessing the RFA, please contact the Grants.gov Helpdesk at 1-800-518-4726 or via email at support@grants.gov for technical assistance.

It is the responsibility of the recipient of this RFA document to ensure that it has been received from Grants.gov in its entirety. USAID bears no responsibility for data errors resulting from transmission or conversion processes associated with electronic submissions.

USAID/Georgia will hold a pre-application conference on March 20, 2013 at 5:00 PM Local Tbilisi Time at USAID/Georgia in order to review the requirements of this RFA and answer additional questions. USAID/Georgia will be arranging a meeting room at USAID/WASH for interested applicants to attend by DVC. Interested applicants who would like to attend the pre-application conference in Tbilisi or in Washington D.C. should send an email to RCOCAUCASUS@usaid.gov by Monday, March 11, 2013 with the subject "EC/LEDS PAC".

Any questions concerning this RFA should be submitted in writing to Mr. Ashraf Soos via email at asoos@usaid.gov. The deadline for submission of questions for this RFA is March 26, 2013, 16:00 Tbilisi, Georgia local time. Responses to questions will be made available to all potential applicants through an amendment to this RFA and posted on grants.gov.

All cost for the pre-application conference shall be borne by the attending Offerors. USAID will not assist the Offerors with any type of logistics.

Issuance of this RFA does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for costs incurred in the preparation and submission of an application. In addition, final award of any resultant cooperative agreement cannot be made until funds have been fully appropriated, allocated, and committed through internal USAID procedures. While it is anticipated that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for award. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense.

Sincerely,

Jonathan Chappell
Regional Agreement Officer
RCO Caucasus

SECTION I – FUNDING OPPORTUNITY DESCRIPTION

I. BACKGROUND

Georgia's Second National Communication (SNC) to the UN Framework Convention on Climate Change (UNFCCC) forecasts that emissions from Georgia's energy sector will increase by 275% between 2006 and 2025 to meet the growing energy demands of the expanding industry, transport, and residential sectors. The projected accelerated growth of greenhouse gas (GHG) emissions in parallel with Georgia's economic growth, the lack of an energy conservation culture, and the absence of institutional capacity and policies that promote energy efficiency and conservation, are all factors contributing to the expected increase in emissions. Energy consumption and the resulting emissions are exacerbated by outdated, inefficient energy systems currently used in Georgia. Replacing these systems with modern alternatives is an economic proposition that has demonstrated a good return on investment with a relatively quick payback. Vast amounts of electricity are wasted by outdated, inefficient lighting devices and heating systems, and large amounts of heat are released into the atmosphere because of non-insulated buildings—all waste that could be avoided through insulation and energy efficient technologies. This is especially problematic in the residential sector, which accounts for 49% of energy consumption in Georgia, including 30-35% of electricity consumption. Lighting accounts for most of electricity consumption in residential buildings.

Inefficient energy use not only leads to greater GHG emissions and air pollution, affecting both human health and the environment, but also hinders Georgia's ability to compete in regional and global markets. Some markets require energy efficiency and clean production standards that Georgia currently does not meet. Additionally, inefficient energy use has resulted in higher production costs and therefore, higher prices in the Georgian market. Consequently, Georgia is unable to compete with more efficient competitors, which offer similar products at lower prices. Energy inefficiency also increases the cost of energy for households, decreasing their potential to consume other goods and services. All these effects slow economic growth and development. Addressing the inefficiencies in Georgia's energy sector would significantly reduce GHG emissions growth by expanding the reach of existing domestic hydropower production and reducing reliance on natural gas. It would also improve Georgia's ability to compete in international markets and support economic growth objectives.

Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) is a United States Government (USG) initiative to support developing countries' efforts to pursue long-term, transformative development and accelerate sustainable economic growth while slowing the growth of GHG emissions. The initiative does this by building capacity in partner countries and providing targeted technical assistance on LEDS. EC-LEDS is a key component of the President's Global Climate Change Initiative, and is the focus of State and USAID's joint OMB High Priority Performance Goal (HPPG) on Climate Change. On December 17, 2012, USAID and the Ministry of Environment Protection of Georgia signed a memorandum of understanding that supports LEDS and provides the framework for bilateral cooperation in Georgia. Areas for cooperation may include activities that increase and encourage the use of clean and energy efficient resources; support the development of a national GHG inventory system; improve the policy environment in low emission economic growth; expand economy-wide and technical modeling efforts; and improve governance of Georgia's natural resources.

PROGRAM PURPOSE, GOALS AND OBJECTIVES

The purpose of the Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) Clean Energy Program, funded by USAID/Caucasus, is to support Georgia’s efforts to increase climate change mitigation through energy efficiency and clean energy. The broader goal is to enable more responsible management and development of Georgia’s natural endowments. The objectives of the program are to (1) support Georgian municipalities in institutionalizing and implementing climate change mitigation measures, (2) promote and facilitate private-sector investments in energy efficiency and green buildings and (3) build the capacity of the Government of Georgia (GOG) to develop and implement a national Low Emissions Development Strategy in support of the USG EC-LEDS initiative. During the five years of the program, EC-LEDS Clean Energy is expected to reduce GHG emissions in Georgia by at least 236,372.9 metric tons of CO_2 equivalent, facilitate up to $14 million in private sector investments in clean energy, and lead to energy savings of up to 315 GWh (the equivalent of approximately $22 million).

IMPLEMENTATION MECHANISM

In accordance with ADS Chapter 303.3.6.6.b. (3), USAID/Georgia intends to implement the EC-LEDS Clean Energy Program through a transition award. The purpose of the transition award is to build local capacity of sub-recipient(s) so that they may be eligible to receive a direct award from USAID. The initial 4-year award will be made to an international recipient to implement the program in years 1, 2 and 3. However, the prime international recipient will be responsible for identifying local partner(s) —preferably in the application phase— that will eventually become the prime recipient in year 4.

In year 3, the international prime recipient will start a gradual phase-out from the project and transfer more responsibilities to one or more local recipient(s). By the end of year 3, USAID will make a 2-year award - in an amount estimated at $1,630,000 - without competition, to one or more local organization(s) that were previously sub-recipients under the prime award (or “initial award”). In year 4, the prime international recipient(s) will retain only a technical advisory function to support the local recipient (s), which will be responsible for all programmatic activities during the last two years of the program.

Years 1 to 3 →	International Organization is prime recipient Local Organization is sub-recipient
Year 4 →	Local Organization is prime recipient International Organization retains advisory functions under initial award

Year 5 ⟶ Local Organization is prime recipient

Criteria for Applicants to identify and qualify a local sub-recipient for the follow on award:

The proposed local sub- recipient may be local non-governmental organizations (NGO) and private for-profit companies willing to forego profit. Potential local private for-profit applicants should note that the payment of fee/profit to the prime recipient under grants and cooperative agreements is not allowed.

To be considered eligible the local organization must satisfy all conditions below:

- Be organized under Georgian laws;
- Have its principal place of business in Georgia;
- Be majority owned by individuals who are Georgian citizens or lawful permanent residents of Georgia or be managed by a governing body, the majority of whom are Georgian citizens or lawful permanent residents of Georgia and;
- Not be controlled by a foreign entity or by an individual or individuals who are not citizens or permanent residents of Georgia.

The term “controlled by” means a majority ownership or beneficiary interest as defined above , or the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the organization’s managers or a majority of the organization’s governing body by any means, e.g., ownership, contract, or operation of law.

“Foreign entity” means an organization that fails to meet any part of the “local organization” definition. Government controlled and government owned organizations in which the recipient government owns a majority interest or in which the majority of a governing body are government employees, are included in the above definition of local organization.

PROGRAM DESCRIPTION

The EC-LEDS Clean Energy Program is comprised of three components: 1) Georgian Municipal Energy Efficiency, which will support at least 10 municipalities in quantifying and reducing GHG emissions, and institutionalizing climate change mitigation; 2) Green Building Rating and Certifying System, which will introduce a voluntary system for rating and certifying green buildings in Georgia and build market demand for certified buildings; and 3) National EC-LEDS Working Group and Advisory Assistance, which would provide advisory assistance to the GOG to articulate concrete actions, policies, programs and implementation plans under the bilateral EC-LEDS initiative. Components 1 and 2 will be implemented throughout the five years and will be continued by the local organization in the last two years of the program; however, Component 3 will be completed by the end of the third year.

Component 1: Georgian Municipal Energy Efficiency (GeMunee)

In 2008, the EU launched the Covenant of Mayors (COM) to endorse and support local governments in implementing sustainable energy policies.[1] Cities and local authorities that want to join or become signatory to the Covenant must follow certain steps and take certain actions. For example, signatories must create an inventory to quantify GHG emissions, develop a Sustainable Energy Action Plan (SEAP), and establish a Sustainable Energy Office or regional Sustainable Energy Resource Center, among other things. Five cities are currently signatories in Georgia—Tbilisi, Kutaisi, Batumi, Rustavi, and most recently Gori—and are in different stages of the process. The first city to become a signatory in Georgia, Tbilisi developed and submitted its SEAP in 2011 and established a Sustainable Energy Agency with assistance from USAID.

The EC-LEDS Clean Energy Program, through the GeMunee component, will build on USAID's support for Tbilisi and expand assistance to at least nine other municipalities to enable their participation in the COM, including those already signatory. Assistance should be limited to those municipalities that are not receiving assistance for similar activities from other donors.

Under this component the recipient is expected to provide technical assistance to at least 10 municipalities (including Tbilisi) under the following recommended program interventions:

1. Development and Implementation of Sustainable Energy Action Plans (SEAP)

The recipient will provide technical assistance and support to select municipalities in developing and/or implementing SEAPs, in accordance with procedures and methodologies acceptable to the Covenant of Mayors. Supporting municipalities with the development and implementation of the SEAP and addressing and promoting energy efficiency may include capacity building efforts. Greater institutional capacity within local governments will help ensure the sustainability of USAID efforts and greater participation of local municipalities in COM planning and implementation.

Assistance may include but is not limited to the following **Illustrative Activities**:

- Development of software/models for GHG emission inventories and mitigation activities and support with GHG information gathering
- Structured training or workshops on preparing SEAPs for participating municipal representatives
- Structured training or workshops on specific topics to build capacity in mitigation activities, such as energy efficient building codes, energy efficient technologies, etc.
- Provision of on-the-job training and mentoring
- Engagement of representatives from various GOG ministries, including the Ministry of Finance, Ministry of Energy, Ministry of Regional Development and Infrastructure, and

[1] www.eumayors.eu/

Ministry of Economy and Sustainable Development in the preparation of SEAPs to ensure that funds are included in regional development plans at the ministerial level.

After development of the SEAPs, Municipalities will be responsible for their implementation, though the recipient may provide advisory assistance and support with financing strategies.

2. Establishment of Sustainable Energy Offices or Regional Sustainable Energy Resource Centers

The recipient will provide assistance to municipalities to establish Sustainable Energy Offices or regional Sustainable Energy Resource Centers, as required by the Covenant of Mayors, which will coordinate SEAP-related implementation, monitoring, and updating activities.

Assistance may include but is not limited to the following **Illustrative Activities**:

- Assistance with preparation of business plans for Sustainable Energy Offices, or if cities are too small, shared regional Sustainable Energy Resource Centers

- Assistance with conducting technical and financial analysis of potential mitigation projects

- Assistance with developing financing strategies and acquiring project financing

3. Development of Monitoring/Reporting/Verification Plans

The recipient will assist municipalities in developing methodologies for monitoring and verifying energy and GHG emissions reductions associated with activities implemented under SEAPs, and their cost-effectiveness. The plans should address baseline energy consumption; measured savings in energy consumption and energy bills; greenhouse gas reductions; and how municipalities are using money saved on energy costs. The recipient should also assist municipalities in preparing outlines for reporting SEAP results on a quarterly and annual basis.

4. Development of Sustainable Energy Public Awareness Plans

The recipient will develop public awareness plans that can be tailored for use by participating municipalities to increase public awareness of energy efficiency and renewable energy. The public awareness plans should target private-sector businesses and investors, public institutions, and households. These plans should emphasize opportunities to implement energy efficiency activities at the household level and beyond. The recipient should design public awareness materials (i.e., press releases, newsletters, brochures, billboards, etc.) that would be part of the public awareness effort. The recipient may also provide support to municipalities to implement the public awareness plans.

5. Identification and Implementation of Demonstration Projects via Partial Grants

The recipient will help municipalities identify potential demonstration projects on the basis of energy audits results; technical prefeasibility studies indicating the cost, energy savings, and greenhouse gas reductions of potential projects; and business plans indicating cost-effectiveness, financial benefits and cash flows of potential projects. At least one project should be implemented in each participating municipality.

Examples of projects may include, but are not limited to, the following:

- Improvements to public buildings either belonging to or maintained by the municipality (i.e., kindergartens, schools, clinics, administrative buildings, cultural facilities) for insulation, weatherization, new windows, indoor lighting, hot water, etc.;
- Energy efficient street lighting;
- Co-generation/Combined Heat and Power (CHP), including biomass fuel, that feed into and serve heating networks or municipal buildings;
- Energy efficiency improvements to water and wastewater systems, such as pumps, meters, local metering, leak detection and repair;
- Landfill methane recovery for use in CHP, public buildings or for sale to gas network;
- Improvements to apartment buildings managed by condominium associations or other housing maintenance organizations organized by the municipality. Such improvements may focus on upgrades that reduce energy use and improve comfort in common areas, and that may also indirectly produce similar benefits to individual apartments; examples include doors, windows, weatherization, efficient lighting and occupancy sensors, assistance to municipalities to restore elevators accessible to people with disabilities in multi-story buildings while addressing energy efficiency, etc. Improvements and/or upgrades to IDP housing, which are in the process of being privatized and transferred to municipalities for maintenance.

The recipient may support implementation of demonstration projects by providing partial grants, covering up to 20% (not to exceed $50,000 per project) of total project implementation costs. The grant funds should be used strategically, either to test new technology/project types that have no precedent in the country or to leverage commercial financing so that the proposed investments can reach greater scale and serve more intended beneficiaries. When designed with commercial investment in mind, grant funding can cover critical gaps between what a lender is willing to fund and the total project costs.

Project implementation costs should come from one or more of the following sources: the municipal budget, if available; Georgia Municipal Development Fund; loans from commercial banks; the local capital markets, such as the development of municipal bonds; and concessionary lending from the international finance institutions (IFIs), such as the World Bank, IFC, and EBRD. Commercial lending, whether through loans or bonds, should be supported by a USAID's Development Credit Authority (DCA) partial credit guarantee (See the following Section). The program should establish working relationships with financing sources and the DCA in order to develop a mutual understanding of the project preparation activities to be provided by the program and in order to act upon the financing requests. Such understanding will include information required by the financing source, e.g., minimum and maximum loan sizes, if any; financial contributions required from the municipality (cost-share and/or collateral); acceptable rate of return on investment and/or project payback periods; etc.

The recipient should also provide assistance to municipalities to request and apply for financing and where feasible, in developing public-private partnerships (PPPs) to implement projects. PPPs may take on several forms, including vendor financing or developing contracts with energy service companies (ESCOs) to implement the projects at no initial cost to the municipality, with repayment over the life of the service contract. Assistance may include helping municipalities negotiate with PPP partners and prepare appropriate procurement mechanisms. PPPs and/or ESCO arrangements might be considered suitable for financing by the IFC and EBRD, in addition to accessing commercial capital.

6. Development Credit Authority Guarantees and Financial Institution Assistance

USAID/Georgia will work with USAID's DCA to establish a guarantee facility with a commercial bank(s) or other financial institutions to unlock financing to provide loans for energy efficiency improvements in participating municipalities. Through this effort, USAID/Georgia will seek to prove the commercial viability of energy efficiency investments to ensure the continuation of such investing long after the program ends. The new loan facility will support lending to implement projects under the program.

The recipient is not responsible for structuring the guarantee facility, selecting the participating DCA lender(s), or for providing the DCA subsidy cost. However, the recipient will support the Mission and the DCA Office in each of these tasks, as needed. Specifically, the recipient is expected to provide portfolio monitoring support for any DCA guarantees utilized in the energy efficiency sector, including technical support to the DCA partner banks, match-making between borrowers and lenders to encourage utilization, ensuring timely reporting requirements, and troubleshooting general problems, as appropriate. In addition, the recipient may provide the lender(s) with training on appraisal of energy efficiency loans, including the effect on the borrower's cash flows (i.e., representative projects' effects on lowering monthly energy costs compared to debt service requirements) and financial structures for ESCOs under Energy Performance Contracting, as needed.

Local financial institutions in Georgia lack experience in energy efficiency and renewable energy lending. Although market potential is significant, professional experience within local banks is limited. The use of the DCA guarantee helps offset this risk but specialized training is often required to catalyze commercial investment. The recipient is expected to provide assistance to partner financial institutions (i.e., the DCA partners or other banks actively pursuing this product line) in project evaluation, underwriting, and risk management. The recipient should work with the financial institutions and other donors to ensure prudent lending practices and regulations are in place to encourage commercial investment in this sector, with the goal of long-term sustainability and scale up.

Selection Criteria for Municipalities

The program should target at least 10 municipalities in Georgia, including those cities that already signatories to the Covenant of Mayors (as long as they are interested in participating). Additional municipalities may be selected according to established selection criteria. The recipient may use the sample selection criteria illustrated below or suggest other criteria in selecting municipalities to receive program assistance. In order to maximize the benefits of the program, preference should be given to municipalities with larger populations, higher energy consumption, and/or greater ability to invest in infrastructure improvements.

	Selection Criteria
1	Willingness of a municipality to address emissions through facilitation and implementation of energy efficiency improvements
2	Willingness of a municipality to cooperate with the EC-LEDS Clean Energy Program
3	Willingness of the municipality to hire a Sustainable Energy manager or officer
4	Annual expenditure in a municipality for infrastructure improvements/construction
5	Total population within the municipality
6	Annual energy consumption in municipality

Component 2: Green Building Rating and Certification System

Under this component, the recipient will support the introduction and establishment of a voluntary rating and certification green buildings system for meeting recommended energy efficiency features in new construction and major rehabilitation, and generate market interest in qualifying buildings. The activities under this component embody the EC-LEDS approach of working with Georgia's economic growth and development strategy in a market-driven way to minimize GHG emissions, while still meeting Georgia's long-term growth objectives.

Under this component the recipient is expected to provide technical under the following recommended program interventions:

1. Development of a Voluntary System for Rating and Certifying Green Buildings
The program will introduce a voluntary system for rating and certifying green buildings, taking into account the different climate zones throughout Georgia where there is substantial construction and major rehabilitation activity (e.g. Tbilisi, the Black Sea coast, mountain resort areas, etc.). The voluntary system should include energy efficiency standards for residential buildings, hotels, and other building categories as appropriate, based on significant construction activity and potential energy savings (e.g., kindergartens/schools, commercial buildings). In selecting the appropriate system for Georgia, the recipient should work with municipalities (with preference given to those participating in Georgia Munee) and local construction companies, developers, and suppliers of energy efficiency equipment and materials.

Building standards rating and certifying system generally address the following:

- **Sustainable Sites** (includes site selection, storm water and other site related issues)

- **Water Efficiency** (water use reduction through fixtures and appliances)
- **Energy and Atmosphere** (energy system; efficient heating, ventilation, and air conditioning (HVAC); plans for measuring, verifying, and optimizing energy consumption)
- **Materials and Resources** (recyclables, material reuse, waste management, regional materials, renewable materials)
- **Indoor Environmental Quality** (ventilation, indoor chemical and pollutant source control)

Examples of established rating systems for certifying green (environmentally sustainable and energy efficient) buildings include but are not limited to:

- EU Energy Performance in Buildings Directive
- Energy Star
- LEED Green Building
- Building Codes Assistance Project (BCAP)
- Collaborative Labeling & Appliance Standards Program (CLASP)

Introduction of a rating and certifying system for green buildings should be market-driven. Therefore, the recipient should find ways to generate interest among leading construction companies, builders, developers, and suppliers of equipment and materials. The recipient should also find ways to demonstrate to the GOG and occupants of residential building the economic benefits of energy efficiency standards, including more affordable energy and greater comfort. Following the selection of a rating and certification system, in coordination with municipalities, ministries, and private sector stakeholders, the recipient should propose steps for institutionalizing the system in Georgia.

Assistance may include but is not limited to the following **Illustrative Activities**:

- Establishment of a council or similar body to develop linkages with existing rating organizations (whether it be in Europe, the U.S., or elsewhere) as appropriate

- Provision of training on how to rate and certify buildings, and translate existing standards into Georgian

- Provision of technical and advisory assistance to building owners and developers in certifying the buildings and support in matching them with appropriate financing to invest in energy saving measures

- Workshops, training, or consultations with decision-makers from the GOG and/or municipalities

- Provision of assistance to the GOG and/or relevant agencies and institutions in identifying and adopting regulatory incentives to facilitate the zoning/permitting process for green buildings
- Coordination with any lender(s) participating in the DCA facility under the GeMunee component and encouraging them to offer energy efficiency mortgages to other appropriate financing products
- Help develop lending products that utilize the certification system

2. Development of Promotional Strategy and Campaign
The recipient will develop market-based strategies to increase public awareness of green building standards and their benefits (i.e., energy cost savings and increased comfort levels), promote the use of green building standards among building owners and developers, and build market demand for qualifying buildings. Promotional and outreach strategies should include cooperative approaches involving construction companies, builders, developers, and suppliers of equipment and materials, when possible. The promotional strategy should include public awareness materials (i.e., press releases, media advertisements, brochures, billboards, etc.), as well as public outreach activities. The promotional strategy and campaign should include creative ideas that generate incentives for green buildings. For example, the recipient could organize a competition of green buildings or other activity to recognize outstanding performance under the rating system.

3. Development of Monitoring/Reporting/Verification Plan:
The recipient will develop a monitoring/reporting/verification plan to measure the energy savings and GHG emission reductions associated with the introduction of green building standards. The plan should compare the energy consumption of qualified buildings to that which would result if the buildings used standard practices for the various building components (roofs, walls, floors, windows, doors, heating/cooling/ventilation systems, water heating, major appliances). The plan should be used to verify the assumptions and results of the cost-benefits analysis prepared during the project design. Prototype estimated savings for each climate zone should be determined for major building types and designs addressed by the green building standards. A sampling of participating buildings should be monitored to determine the degree to which their performance match the estimates, and the prototype estimated savings should be adjusted accordingly. GHG emission reductions will be determined based on the type of fuel used and the associated emissions factors applied to the energy savings.

Component 3: National EC-LEDS Working Group and Advisory Assistance

The bilateral Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) initiative provides a strategic framework for the GOG to articulate concrete actions, policies, and programs that slow the growth of emissions, while advancing economic growth and meeting Georgia’s development objectives. This framework will provide a foundation for achieving long-term, measurable GHG emission reductions, as compared to a business-as-usual development pathway, and improving environmental management in Georgia. Representatives of the U.S. Government, including USAID, and representatives of the GOG (from various ministries) will form a working group to achieve the goals and actions agreed upon by both countries in the Memorandum of Understanding signed on December 17, 2012. The recipient will also participate in the working group and will play a critical role in making sure that assistance activities link with national priorities, and that data, findings, and results at the municipal level are used to inform national actions, policies, and programs. Under this component, the recipient may also provide advisory assistance to the GOG, as needed. Areas for bilateral cooperation and assistance may include activities that increase and encourage the use of clean and energy efficient resources; support the development of a national GHG inventory system; improve the policy environment in low emission economic growth; expand economy-wide and technical modeling efforts; and improve governance of Georgia's natural resources. The working group has not been created but should be in place by the start of the EC-LEDS Clean Energy Program.

CROSS-CUTTING ACTIVITIES

In accordance with USG and USAID policies, strategies, and approaches, the recipient will propose activities that take into account cross-cutting themes to enhance program results and outcomes.

1. Gender:

USAID's 2012 Policy on Gender Equality and Female Empowerment affirms the critical role women play in accelerating progress in development and advancing global prosperity and security. To the extent possible, the recipient will promote gender equality and female empowerment throughout the program planning and implementation and address any gender disparities resulting from assistance activities. The following are illustrative examples of ways in which the recipient may promote inclusivity and integrate gender into the program:

- Develop a strategy to mitigate any gender disparities identified during the planning and implementation process
- Ensure that training and technical assistance are provided to men and women as equitably as possible
- Develop promotional and outreach strategies that consider and address gender differences
- Ensure a gender balance in the program staffing plan

2. People with Disabilities:

Throughout the program planning and implementation process, the recipient is expected to ensure that activities are inclusive and provide equal opportunities to people with disabilities (PWDs). The recipient should adhere to principles of inclusion, equitable access, and the

International Convention on the Rights of Persons with Disabilities. The following are illustrative examples of ways in which the recipient may provide equal access to PWDs:

- Implement energy efficiency demonstration projects in areas or buildings where people with disabilities are living and/or working
- Meet and/or require building accessibility standards for PWDs in major rehabilitation or construction activities developed or financed by the program
- Provide sign language interpreters for people with hearing disabilities if any people with hearing disabilities are expected to participate in workshops, public discussions, or capacity building activities organized by this program
- Develop promotional materials for PWDs (e.g. materials in Braille, television or other media tools that include sign language, etc.).

3. Youth:

USAID's Policy on Youth, released October 2012, recognizes young people as a driving force in global development and promotes youth participation as partners and leaders. To the extent possible, the recipient is expected to integrate youth issues and engage young people across assistance activities. The following are illustrative examples of ways in which the recipient may target and integrate youth:

- Encourage and support energy offices assisted through this project to implement activities that engage youth in energy efficiency and other climate change mitigation measures
- Support municipal youth departments to build their knowledge and awareness of energy efficiency and emissions reduction efforts
- Develop or collaborate with other USAID-funded projects (i.e., INRMW's eco-alliance/eco-clubs) to develop supplementary materials on energy efficiency that can be used in regular classroom or after-school activities, i.e. factsheets and handouts on energy and GHG emission, or books/manuals for teachers
- Provide workshops or training to teachers on how to teach concepts of energy efficiency and conservation to youth
- Provide small grants to schools or student groups (i.e. ecoclubs) to pursue projects that demonstrate the value of energy efficiency or how to conserve energy

4. Capacity Building

One of the priorities of USAID Forward, a reform initiative to strengthen the results of U.S. foreign assistance, is to build the capacity of local organizations. By building capacity rather than dependence, increased partnerships with the private sector, civil society, and foreign governments will spur investment and growth, improving transparency and accountability, and ensure sustainability. Capacity building is built into the design of the program through a transition award to a local organization and should be a strategy across all program activities, both at the local and national government level and in the private-sector.

5. Coordination with other USAID programs

To leverage existing knowledge and resources and support long-term partnerships and synergies, the recipient should coordinate with other USAID-funded projects and partners to the extent possible. Relevant programs include Good Governance in Georgia (G3), Institutionalization of Climate Change Adaptation in Georgian Regions (ICCAGR), Integrated Natural Resource Management in Watersheds (INRMW), and New Economic Opportunities (NEO), among others. The recipient may refer to USAID/Georgia's website (http://georgia.usaid.gov/) for a complete list of ongoing programs. Examples of possible collaboration include:

- Coordination with G3, which works with municipalities to improve their skills in public outreach, communication, and participatory planning, on capacity building efforts

- Usage of Civic Education Centers established by G3 to engage households, schools, universities, private businesses and civil society and share information on energy efficiency improvements, and work with climate change advisors

- Coordination with NEO to integrate climate change mitigation and energy efficiency considerations, where possible, into municipal economic development plans (EDPs).

- Coordination with Climate Change Adaptation and Mitigation in Georgia Regions (ICCAGR) to prepare business plans for Municipal Sustainable Energy Offices (such office is already functional in Tbilisi) or help municipalities organize jointly-funded, shared Commissions on Climate Change, Environment and Agriculture. Other activities on which ICCAGR and EC-LEDS Clean Energy could work together include: preparing inventories of local climate-related mitigation projects; analyzing capacities of local authorities to implement Climate Change initiatives; building capacity among the Commissions on Climate Change, Environment, and Agriculture; and preparing road maps on climate change for municipal councils.

- Usage of energy auditors trained at Georgia Technical University (GTU) under the USAID-funded New Applied Technology and Energy Lighting Initiative (NATELI) program. The energy laboratory that was established at GTU under the NATELI program could be utilized during implementation of the Component 1 to test various equipment and materials for energy efficiency and thermal insulator characteristics.

- Coordination with the INRMW's eco-club alliance to engage youth in climate change mitigation activities and to promote energy efficiency and conservation among peers

EXPECTED RESULTS AND ILLUSTRATIVE INDICATORS

By the end of the five years of the program, EC-LEDS Clean Energy will be expected to have reduced GHG emissions in Georgia by at least 236,000 metric tons of CO_2 equivalent, facilitated up to $14 million in private sector investments in clean energy, and led to energy savings of up to 315 GWh (the equivalent of approximately $22 million). Successful adoption of improved practices by governments, businesses and individuals could yield substantially greater results. The project is also expected to have a significant impact on climate change policies and activities implemented in Georgia, both at the local level and at the national level.

The recipient will develop a project-level Performance Monitoring plan (PMP) with annual and end-of- program targets and results anticipated for key performance indicators. The following table shows indicators that will be measured, as well as illustrative targets, which the recipient will be responsible for monitoring and reporting during and after the program. In addition, USAID will regularly monitor the program's performance to assess whether project activities are on track and targets are being achieved.

Outcome indicators for the first three years of the program are provided below. The recipient is expected to identify targets for these indicators based on what it can reasonably achieve within the first three years of the program, based on the expected overall program results described above.

Outcome Indicators	***Illustrative targets (years 1-3):***
Number of people with increased economic benefits derived from sustainable natural resource management and conservation as a result of USG assistance	TBD
Quantity of greenhouse gas emissions, measured in metric tons CO2 equivalent, reduced or sequestered as a result of USG assistance	TBD
Energy saved due to energy efficiency/conservation projects as a result of USG assistance (kwh and monetary value)	TBD
Value of clean energy investments by public and private sector	TBD

Output indicators and illustrative targets for the first three years of the program are provided below. The recipient should review these and either confirm the illustrative targets or propose alternative targets, as appropriate.

Output Indicators	***Illustrative targets (years 1-3):***
Number of low emissions development plans developed and/or implemented as a result of USG assistance (LEDS, SEAP, other)	At least 10
Number of Sustainable Energy Offices or shared Sustainable Energy Resource Centers established in participating municipalities	At least 5
Number of institutions with improved capacity to address climate change issues as a result of USG assistance	At least 14
Number of stakeholders using climate information in their decision making as a result of USG assistance	At least 14
Number of laws, policies, strategies, plans, agreements, or regulations addressing climate change mitigation officially adopted or implemented	At least 1
Number of climate change mitigation tools, technologies and methodologies developed, tested and/or adopted as a result of USG assistance	At least 1
Number of households/businesses/public institutions implementing energy efficiency measures as a result of USG assistance	At least 1500/10/10
Number of climate change mitigation projects implemented as a result of USG assistance	At least 20
Number of buildings labeled based on green building or energy efficiency standards	At least 10
Number of individuals reached through outreach campaigns	At least 1 million
Number of USG-supported training or activities that contribute to building the energy efficiency knowledge and skills in the GOG, Municipalities, industry and other stakeholders	At least 50
Number of laws, policies, strategies, plans, agreements, or regulations addressing climate change mitigation proposed with USG assistance	At least 2
Number of people receiving USG supported training in technical energy fields	At least 100
Value of grants disbursed as a result of USG assistance for scientific research and energy efficiency pilot projects)	At least $500,000
Number of promotional plans and campaigns implemented to increase awareness of citizens about the energy efficiency.	At least 2

The recipient may propose additional outputs, indicators, and/or targets as appropriate. The recipient will be required to collect baseline data for all the PMP indicators during the first year of the project. In addition, certain terms included in the outcomes and indicators will need to be defined at the very beginning of the project so that it is possible to measure the change during and at the end of the project. Examples of such are “capacity”, “spread effect”, etc. Baseline information will be critical for both monitoring and evaluation of project progress and results.

To evaluate the extent to which the project contributed to USAID objectives for sustainable and inclusive economic growth, including more responsible management and development of

Georgia's natural endowments and increased climate change mitigation, USAID will implement an external evaluation of the project.

Illustrative evaluation questions include the following:

- To what degree did the project contribute to Georgia's transition to low emissions economic development?

- How effective was the project in institutionalizing climate change mitigation across regional and local planning and funding priorities of participating municipalities and relevant GOG ministries?

- To what extent and in what ways did the project reduce GHG emissions and change energy consumption patterns (volumes and sources of energy) in municipalities and groups? What interventions had the most positive effect and why? What was the spread effect in non-assisted municipalities?

- Did the introduction of a voluntary rating system prompt building owners and developers (including hotels, condominium associations, and local authorities) to introduce energy efficient improvements/upgrades or other green building modifications? Did the project create a market demand for qualifying buildings?

- Did the project increase the willingness or ability of financial institutions to finance energy efficiency improvements and upgrades?

- Did the project affect men and women differently?

ENVIRONMENTAL COMPLIANCE

1a) The Foreign Assistance Act of 1961, as amended, Section 117 requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying out its development programs. This mandate is codified in Federal Regulations (22 CFR 216) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (http://www.usaid.gov/policy/ads/200/), which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. Recipient environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this cooperative agreement.

1b) In addition, the recipient must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter will govern.

1c) No activity funded under this cooperative agreement will be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau Environmental Officer (BEO). (Hereinafter, such documents are described as "Regulation 216 environmental documentation.")

2) An Initial Environmental Examination (IEE) number 2012-GEO-076 (found in Annex A) has been approved for the Project funding this RFA. The IEE covers activities expected to be implemented under the cooperative agreement. USAID has determined that a Negative Determination with conditions applies to one or more of the proposed activities. This indicates that if these activities are implemented subject to the specified conditions, they are expected to have no significant adverse effect on the environment. The recipient shall be responsible for implementing all IEE conditions pertaining to activities to be funded under this cooperative agreement.

3) An Initial Environmental Examination (IEE) number 2012-GEO-076 has been approved for the Project funding this cooperative agreement and for activities to be undertaken herein. The IEE contains a Positive Determination for Activity 1.6, and possibly Activity 1.7. This indicates that these activities have the potential for significant adverse effects on the environment. Accordingly, the recipient is required to prepare and submit an Environmental Assessment (EA) addressing the environmental concerns raised by these activities. No activity identified under this Positive Determination can proceed until Scoping as described in §216.3(a)(4) and an EA as described in §216.6 are completed and approved by USAID.

4a) As part of its initial Work Plan, and all Annual Work Plans thereafter, the recipient, in collaboration with the USAID Agreement Officer's Representative (AOR) and Mission Environmental Officer or Bureau Environmental Officer, as appropriate, must review all ongoing and planned activities under this contract to determine if they are within the scope of the approved Regulation 216 environmental documentation.

4b) If the recipient plans any new activities outside the scope of the approved Regulation 216 environmental documentation, it must prepare an amendment to the documentation for USAID review and approval. No such new activities will be undertaken prior to receiving written USAID approval of environmental documentation amendments.

4c) Any ongoing activities found to be outside the scope of the approved Regulation 216 environmental documentation must be halted until an amendment to the documentation is submitted and written approval is received from USAID.

5) When the approved Regulation 216 documentation is (1) an IEE that contains one or more Negative Determinations with conditions and/or (2) an EA, the recipient shall:

5a) Unless the approved Regulation 216 documentation contains a complete environmental mitigation and monitoring plan (EMMP) or a project mitigation and monitoring (M&M) plan, the recipient shall prepare an EMMP or M&M Plan describing how the recipient will, in specific terms, implement all IEE and/or EA conditions that apply to proposed project activities within the scope of the award. The EMMP or M&M Plan shall include monitoring the implementation of the conditions and their effectiveness.

5b) Integrate a completed EMMP or M&M Plan into the initial work plan.

5c) Integrate an EMMP or M&M Plan into subsequent Annual Work Plans, making any necessary adjustments to activity implementation in order to minimize adverse impacts to the environment.

6a) Cost and technical applications must reflect IEE or EA preparation costs and approaches.

6b) The recipient will be expected to comply with all conditions specified in the approved IEE and/or EA.

6c) If an IEE, as developed by the recipient and approved by USAID, includes a Positive Determination for one or more activities, the contractor/recipient will be required to develop and submit an EA addressing these activities.

7a) A provision for sub-grants is included under this award; therefore, the recipient will be required to use an Environmental Review Form (ERF) or Environmental Review (ER) checklist using impact assessment tools to screen grant proposals to ensure the funded proposals will result in no adverse environmental impact, to develop mitigation measures, as necessary, and to specify monitoring and reporting. Use of the ERF or ER checklist is called for when the nature of the grant proposals to be funded is not well enough known to make an informed decision about their potential environmental impacts, yet due to the type and extent of activities to be funded, any adverse impacts are expected to be easily mitigated. Implementation of sub-grant activities cannot go forward until the ERF or ER checklist is completed and approved by USAID. Recipient is responsible for ensuring that mitigation measures specified by the ERF or ER checklist process are implemented.

7b) The recipient will be responsible for periodic reporting to the USAID AOR, as specified in the Schedule/Program Description of this solicitation/award.

8a) USAID anticipates that environmental compliance and achieving optimal development outcomes for the proposed activities will require environmental management expertise. Respondents to the RFA should therefore include as part of their application their approach to achieving environmental compliance and management, to include:

8b) The respondent's approach to developing and implementing an EA or environmental review process for a grant fund and/or an EMMP or M&M Plan.

8c) The respondent's approach to providing necessary environmental management expertise, including examples of past experience of environmental management of similar activities.

8d) The respondent's illustrative budget for implementing the environmental compliance activities. For the purposes of this RFA, applicants should reflect illustrative costs for environmental compliance implementation and monitoring in their cost proposal

[END OF SECTION I]

SECTION II – AWARD INFORMATION

USAID expects to award a cooperative agreement based on this RFA. The anticipated total federal funding amount is $6,129,000. The period of performance is four years with an anticipated start date of September 2013.

The Government may issue one or more awards resulting from this RFA to the responsible applicant(s) whose application(s) conforming to this RFA are the most responsive to the objectives set forth in this RFA. The Government may (a) reject any or all applications, (b) accept other than the lowest cost application, (c) accept more than one application, (d) accept alternate applications, and (e) waive informalities and minor irregularities in applications received.

The Government may make award on the basis of initial applications received, without discussions or negotiations. Therefore, each initial application should contain the applicant's best terms from a cost and technical standpoint. The Government reserves the right (but is not under obligation to do so), however, to enter into discussions with one or more applicants in order to obtain clarifications, additional detail, or to suggest refinements in the program description, budget, or other aspects of an application.

Neither financial data submitted with an application nor representations concerning facilities or financing, will form a part of the resulting agreement(s).

Understanding that USAID always has some involvement in assistance awards (including monitoring performance, reviewing reports, and/or providing approvals, in order to effectively support the achievement of the expected results, in addition to the standard prior approvals), this Cooperative Agreement will also require substantial involvement in the following areas:

1. Annual Work-Plans

   USAID AOR will approve the annual work plans. Any significant changes or revisions to the approved work-plans will require additional approval.

2. Key Personnel

   USAID will be substantially involved in approving specified key personnel. Pursuant to 22 CFR 226.25(c)(2) and (3), whereby the Agreement Officer must approve changes in key personnel, the Agreement Officer hereby delegates authority to the AOR to approve the placement or any replacement of key personnel for positions designated in this section. Key Personnel are those considered to be essential to the work being performed under this Award. In accordance with "Substantial Involvement," the USAID AOR must approve in writing Key Personnel or their replacement under this Award. The following positions have been designated as key to the successful completion of the objective of this Award.

- Chief of Party
- Deputy Chief of Party
- Green Buildings Rating and Certification Expert

3. Performance Monitoring Plan (PMP)

   As part of the Annual Work-plan, USAID AOR will approve the Recipient's PMP developed and aligned with USAID's Program Element Indicators, including any significant changes or revisions thereto.

4. Sub-awards

   USAID AOR will approve the selection criteria and selected sub-recipients (as defined in 22 CFR 226.2) and the technical and programmatic matters provisions of the sub-awards (as defined in 22 CFR 226.2).

   Please note that consistent with existing responsibility as per 22 CFR 226.51, section (f), "Recipients shall immediately notify USAID of developments that have a significant impact on the award-supported activities. Also, notification shall be given in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation." This provision is applicable to all sub-grants as well as the prime grantee.

5. Selection of Target Municipalities

   USAID AOR will approve the selection criteria and selected target municipalities.

6. USAID AOR will monitor to authorize specified kinds of direction or redirection because of interrelationships with other projects.

[END OF SECTION II]

SECTION III – ELIGIBLITY INFORMATION

(1) Eligible Entities: Applicants who are eligible to apply are Non-Governmental Organizations (NGOs), Public International Organizations (PIOs), Educational Institutions and other qualified organizations who are able to respond to the RFA and be able to mobilize in a short period of time.

To be eligible for award of a Cooperative Agreement, in addition to other conditions of this RFA, organizations must have a commitment to non-discrimination with respect to beneficiaries and adherence to equal opportunity employment practices. Non-discrimination includes equal treatment without regard to race, religion, ethnicity, gender, and political affiliation.

Applicants are reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all sub-awards issued under this Cooperative Agreement.

(2) USAID encourages applications from potential new partners.

(3) Cost Share: ADS 303.3.10 Cost Share defines cost share as "the resources a recipient contributes to the total cost of an agreement. It is the portion of project or program costs not borne by the Federal Government." Although not required for this RFA, USAID/Georgia encourages the potential applicants to propose cost sharing since "it is critical that the activity continues after USAID assistance ends." These cost sharing requirements can ensure that the project establishes adequate alternate sources of funding, as well as give the applicant a financial stake in the success of the program. The applicants' proposed cost share may enable additional worthwhile activities to be undertaken which USAID funds could not support. Cost share may secure the programmatic and financial sustainability of the initiatives.
USAID encourages applicants to propose for which activities and in which amount cost sharing will be applied. The exact level of cost share is left to applicants to propose per 303.3.10.1 (http://www.usaid.gov/policy/ads/300/303.pdf). Ultimately the Agreement Officer shall determine if the applicant's cost share contributions (e.g. categories or items) meet the standards set in the Standard Provision entitled "Cost Sharing" for non-U.S. organizations (Mandatory References, 22 CFR 226.23; and Standard Provisions for Non-U.S. Nongovernmental Recipients, and ADS 303.3.10 Cost Sharing). Once approved, cost sharing becomes a condition of an award. Cost sharing must be verifiable from the recipient's records, is subject to the requirements of 22 CFR 226.23, and can be audited. If the recipient does not meet its cost sharing requirement, it can result in questioned costs.

(4) The authorized geographic codes for procurement of goods and services under this Award are 110 and 937 as described in CFR 228.

[END OF SECTION III]

SECTION IV – APPLICATION AND SUBMISSION INFORMATION

The federal grant process is web-enabled, allowing for applications to be submitted on-line. Instructions to submit applications electronically on-line in response to this RFA are found on Grants.gov in the "For Applicants" section – under "Apply for Grants." Applicants are also encouraged and it is USAID's preference that offerors submit an electronic copy of their application via e-mail to RCOCAUCASUS@usaid.gov . The file size for each transmission shall not exceed 5 MB. Please note that applicants are only required to submit their application through one modality. Please e-mail Mr. Ashraf Soos at asoos@usaid.gov to verify your application has been received.

If your organization decides to submit an application, it must be received by the closing date and time indicated at the top of the cover letter. The applicant must provide all required information in its application, including the requirements found in any attachments to this RFA. Applicants should retain for their records one copy of all enclosures which accompany their applications.

To be eligible for award, the application should be prepared according to the structural format set forth below in (II) Technical Application Format and (III) Cost/Business Application Format. Applications which are received late or are incomplete run the risk of not being considered in the review process. Late applications will be considered for award only if the Agreement Officer determines it is in the Government's interest.

USAID will consider only applications conforming to the format prescribed below. All applications received by the closing date and time indicated on the cover letter will be reviewed for responsiveness and programmatic merit in accordance with the specifications outlined in these guidelines and the application format. Section B addresses the selection criteria and procedures for the applications.

Applicants who include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purposes should:

a) Mark the title page with the following legend:

   "This application includes data that shall not be disclosed outside the U.S. Government and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this application. If, however, a cooperative agreement is awarded to this applicant as a result of - or in connection with - the submission of this data, the U.S. Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting cooperative agreement. This restriction does not limit the U.S. Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in pages TBD"; and

b) Mark each sheet of data it wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application."

OTHER SUBMISSION REQUIREMENTS:

1. Unnecessarily Elaborate Applications – Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this RFA are not desired and may be construed as an indication of the applicant's lack of cost consciousness. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor wanted.

2. Explanation to Prospective Applicants – USAID/Georgia will hold a pre-application conference on March 20, 2013 at 5:00 PM Local Tbilisi Time at USAID/Georgia in order to review the requirements of this RFA and answer additional questions. USAID/Georgia will be arranging a meeting room at USAID/WASH for interested applicants to attend by DVC. Interested applicants who would like to attend the pre-application conference in Tbilisi or in Washington D.C. should send an email to RCOCAUCASUS@usaid.gov by Monday, March 11, 2013 with the subject "EC/LEDS PAC"

3. Telegraphic or Faxed Applications – Telegraphic or faxed applications will not be considered.

4. Language – All applications must be in English.

TECHNICAL APPLICATION FORMAT

Technical applications must be single spaced, utilizing Times New Roman 12-font size, typed on standard 8½"x11" sized paper with one-inch margins, numbered consecutively, and not exceed **30** pages. The cover letter, dividers, table of contents, annexes (e.g. performance monitoring plan, personnel resumes, past performance information, certificates, forms, acronym list, etc.) will not count toward the page limitation. Any pages that exceed the page limitation will not be considered by the Technical Evaluation Committee. There is no page limit on attachments or the cost application.

Applications will be evaluated on a Best Value basis. As such, the technical application will have more significance than the cost application in the selection of a successful applicant. The technical application should demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this program. Therefore, it should be specific, concise, and complete. It should take into account and be arranged in the order of the technical evaluation criteria specified in section V.

Application Contents: The technical application, at a minimum, shall contain the following:

A. Cover Page

This page shall include the project title and RFA number, the names of the organizations/institutions involved, and the lead or primary Applicant clearly identified. Any proposed sub grantees (or implementing partners) should be listed separately. In addition, the Cover Page should provide a contact person for the prime Applicant, including this individual's name (both typed and his/her signature), title or position with the organization/institution, address, telephone and fax numbers and e-mail address. State whether the contact person is the person with authority to contract for the Applicant, and if not, that person should also be listed with contact information.

B. Table of Contents

This page shall list all sections of the technical application with page numbers and attachments.

C. Executive Summary (counts toward the page limitation and shall not exceed 2 pages)

This section shall briefly describe:

- Proposed goals and objectives;
- Key activities and anticipated results; and
- How the overall project will be managed and implemented.

D. Technical Approach:

In this section, applicants are not to merely repeat what is already described in this RFA. Applicants should focus on describing how they propose to achieve the project objective(s) and make a significant contribution towards achieving the strategic goals and priorities identified in the project description. Applicants will present a convincing and compelling articulation of their technical approach and demonstrate why it is the most effective way to realize the objectives of this project, including a reasonable course of action and tasks relevant to the current needs of Georgia.

At a minimum, the approach should address the following:

- Discussion of the concrete expected results and how they will be achieved;
- Results and interventions applicants believe should be prioritized and why;
- Discussion on coordination with other USAID activities, stakeholders and other donor activities. Applicants should provide specific examples on how they will capitalize on possible synergies with other implementing partners, thereby strengthening the impact the project;
- Strategy for capitalizing on existing local capacity and building on it to position the sub-recipient(s) to effectively manage the second phase of the program;
- Strategy for the phase-out and sustainability of the project activities and results;
- Substantive attention on how applicants will incorporate gender considerations and other cross-cutting themes described in the program description into the project;
- Implementation timelines schedule; and
- Proposed plan for effective rapid launch of activities.

As an annex (not included in the 30 page limit), applicants shall submit a draft Performance Monitoring Plan (PMP). The PMP must explain how the applicant proposes to monitor the program and assess performance and progress toward achieving program objectives. The PMP must include results, indicators with FY targets, data source information, frequency of data collection, collection methods, data verification, baseline information, and benchmarks. The applicant must discuss the ways in which the collection, analysis and reporting of performance data will be managed under the project. All data collected must be disaggregated by sex. In designing the overall PMP, applicants should consider the human and financial resources necessary for its implementation. The draft PMP must follow the USG's fiscal calendar year regardless of the start date of this program. It is the applicant's responsibility to ensure that all costs related to the implementation of the PMP are included in the cost application.

E. Staffing Plan:

This section shall address the composition and organizational structure of the proposed project team and a description of each long-/short-term key or non-key team member's role, technical expertise, and estimated amount of time to be devoted to each relevant activity. The Applicant should specify the structure of the entire program team, including home office support and implementing partners (i.e., sub-recipient(s)). The applicant should demonstrate how it will ensure effectiveness and efficiency, in order to achieve maximum benefits and results, and how it will utilize Georgian professionals for country project staff.

Applicants shall propose key personnel to include a Chief of Party, Deputy Chief of Party, and Green Building Rating and Certification Expert.

1. **Chief of Party** (COP): he/she shall be the primary point of contact with USAID/Georgia with regard to day-to-day activity implementation and management matters relating to the Agreement. The COP shall be responsible for the overall program performance and ensure that all assistance provided under the award is technically sound. The COP shall be an expatriate and meet the minimum requirements: degree in an environmental or climate change studies related field including but not limited to science or engineering, economics, law, public policy, international development or other related field; experience managing projects in energy efficiency, clean and/or renewable energy, or other relevant fields. The COP shall possess excellent verbal, interpersonal and written communication skills in English; strong analytical, problem-solving and decision making capabilities; and ability to multi-task in a fast-paced environment. The COP shall be able to provide technical leadership, supervise and effectively manage team members. The COP shall have strong project management skills, experience managing project budgets and working with NGOs, governmental and international organizations.

2. **Deputy Chief of Party (DCOP)**: he/she shall lead the Municipal Energy Efficiency Component of the program, provide management support, and report to the COP. The DCOP may be a local or expatriate and must meet the minimum qualifications: degree in a field related to the program activities, in particular the GeMunee component; experience managing projects in energy efficiency, clean and/or renewable energy, or other relevant fields. The DCOP must be able to provide project management expertise and technical judgment clearly and concisely in English, both orally and in written form. It is highly desirable that the project DCOP have experience working with the Government of Georgia and international organizations on similar international donor funded programs.

3. **Green Buildings Rating and Certification Expert:** he/she shall be will serve as lead for the Green Building Rating and Certification component of the program, coordinating with the Ministries, local government(s), regional government(s), donors, commercial banks, NGOs, private and business sectors in the green building rating and certification system planning and implementation and report to the COP. This expert must be able to provide green buildings rating and certification expertise and technical judgment clearly and concisely in English, both orally and in written form. The Green Buildings Rating and Certification Expert may be a local or expatriate and must meet the minimum qualifications: a degree in energy, architecture, urban planning, sustainability, engineering or other relevant fields; experience in the field of green buildings rating and certification systems; an accreditation or license by a major green building rating organization, including but not limited to, LEED, BREEAM, GBTool, Green Globes, or Green Star; experience with consulting to government agencies on Green Building policy.

In an Annex to the Technical Application, Applicants should provide Resumes for the candidates proposed for all Key Personnel positions. The Resumes should demonstrate that the proposed Key Personnel possess the skills and knowledge to effectively carry out their proposed responsibilities. Resumes may not exceed three pages in length and shall be in chronological order starting with most recent experience. Each Resume shall be accompanied by a signed Letter of Commitment from each candidate indicating his/her: (a) availability to serve in the stated position, in terms of days after Award; (b) intention to serve for a stated term of the service; and (c) agreement to the compensation levels corresponding to the Cost Application. References will be checked for all proposed long-term personnel; a minimum of three references for each proposed long-term personnel is required. Applicants should provide current phone, fax, and e-mail address information for each reference contact.

In addition to the three key personnel listed above, the applicant should propose other short or long-term personnel and/or consultants to adequately support the technical expertise, project management, and operational needs of the program. Illustrative examples include: environmental specialist, economist, finance advisor, civil engineer, and legal specialist. Applicants are encouraged to maximize the use of local staff wherever possible and should consider hiring local staff especially to facilitate interaction with targeted municipalities and mobilize key stakeholders. Local staff should be fluent in Georgian and English.

F. Organizational Capacity:

Applicants must provide evidence of their technical and managerial resources and expertise (or their ability to obtain such) in program management, grants management, budget/financial management, and providing training and technical assistance in similar fields.

The applicant should provide similar information for partnering organizations that will be directly involved in program implementation. Information in this section should include (but is not limited to) the following:

- Brief description of organizational history/mission/expertise;
- Past experience and examples of accomplishments in developing and implementing similar programs;
- Relevant experience with proposed approaches;
- Institutional strength as represented by the breadth and depth of experienced personnel in project relevant disciplines/areas;
- Sub-awardee or sub-contractor capabilities and expertise;
- Proposed field management structure and financial controls; and
- Home office backstopping.

G. Past Performance:

This section will address the following:

- Brief description of organizational history and experience;
- Examples of accomplishments in developing and implementing similar projects;
- Relevant experience with proposed approaches; and
- Institutional strength as represented by breadth and depth of experienced personnel in project relevant disciplines and areas.

For the primary applicant and all major partners proposed (a sub-award whose budget represents 20% or more of the total estimated cost of a project): Describe any number of contracts, grants, and cooperative agreements which the organization has implemented involving similar or related programs over the past three years. Please include the following information in an annex under past performance information:

- Name, address, current telephone number and email address of responsible representative(s) from the organization for which the work was performed;
- Contract/grant name and number (if any), annual amount received for each of the last three years and beginning and end dates;
- Brief description of the project/assistance activity.

COST/BUSINESS APPLICATION FORMAT

Cost is a required evaluation criterion and will be evaluated separately. Although the Cost Application will not be assigned points, it is an important evaluation criteria, although less significant than non-cost (technical) factors.

The Cost/Business Application is to be submitted under separate cover from the technical application.

The following sections describe the documentation that applicants for an Assistance award must submit to USAID prior to award. While there is no page limit for the cost application, applicants are encouraged to be as concise as possible, but still provide the necessary detail to address the following:

1. **Budget,** which provides a breakdown by elements of cost (e.g. personnel, fringe, equipment, etc.) for the total estimated amount of implementation of the project according to your organization's approach.

2. **Budget narrative**, which provides detailed budget explanations and supporting justification of each proposed budget line item. It must briefly describe programmatic relevance and clearly identify the basis of estimate (i.e. how the budget number was determined fair and reasonable) for each cost element, such as market surveys, price quotations, current salaries, historical experience, etc.

As described in Section I "Funding Opportunity Description" please note the following:

- The budget shall include costs associated with all programmatic activities during the first three years of the program. Year 4 budget shall only include costs associated with the transitional advisory assistance function.

- Applicants are instructed to budget approximately $500,000 for partial grants for demonstration projects under Component 1 of the Program Description.

A summary of the budget must be submitted using Standard Forms 424, 424A and 424B which are available at Grants.gov under the "Application" tab for this RFA.

The budget must include:

1. The breakdown of all costs associated with the project according to costs of headquarters, regional and/or country offices, if any;

2. Potential contributions of non-USAID or private commercial donors to the expected cooperative agreement; if any

3. The name (if identified), annual salary, and expected level of effort of each candidate named or TBD and charged to the activity. Provide annual salary history for at least the

three most recent years for all identified and proposed long-/short-term key and non-key personnel;

4. If applying fringe benefit rates, the applicant must provide information regarding how this rate is being applied for each category of employees and an explanation of the benefits included in the rate. Should the applicant have a negotiated indirect cost rate agreement (NICRA) with the U.S. Government, submission of their approved NICRA is all that is required.

5. Travel, per diem and other transportation expenses detailed to include number of trips, expected itineraries, number of per diem days and per diem rates;

6. All equipment proposed to be purchased; and

7. Details regarding the level of cost share your organization is proposing for this activity **if any**. Cost sharing may be proposed from any available and interested local funding sources.

The following information should be taken into consideration when developing the budget:

(1) Salaries and wages must be reflective of the “market value” for each position. Salaries and wages may not exceed the Applicant’s established written personnel policy and practice, including the Applicant’s established pay scale for equivalent classifications of employees, which shall be certified by the Applicant. Salaries for locally employed staff should not exceed the Local Compensation Plan for USAID/Georgia.

(2) Base pay, or base salary, is defined as the employee’s basic compensation (salary) for services rendered. Taxes which are a responsibility or liability of the employee are inclusive of, and not additive to, the base pay or salary. The base pay excludes benefit and allowances, bonuses, profit sharing arrangements, commission, consultant fees, extra or overtime payments, overseas differential or quarters, cost of living or dependent education allowances, etc.

(3) This USAID-funded project implemented under the anticipated cooperative agreement will be for an estimated period of performance of four (4) years; also referred to as the award period. Unless the Applicant/Recipient demonstrates otherwise to the USAID Agreement Officer’s satisfaction, Cooperating Country Nationals (CCNs) employed by the Applicant/Recipient solely to work under the USAID-funded project under this agreement are considered by USAID as employed by the Applicant/Recipient for a specified period not to exceed the agreement period. This provision shall be interpreted in accordance with applicable cost standards including 2 CFR 230 – Cost Principles for Non-Profit Organizations (OMB Circular A-122) for non-profit organization, 2 CFR 220 – Cost Principles for Education Institutions (OMB Circular A-21), as applicable, including, but not limited to Selected Items of Cost - Compensation for Personal Services, and 22 CFR 226.

Annual Salary Increases

Annual salary increase and/or promotional increase may be granted in accordance with the Applicant's established policies but up to the maximum of 5%. Salary increases may be granted after the employee's completion of each twelve months of satisfactory services under the USAID award.

Fringe Benefits - If accounted for as a separate item of cost, fringe benefits should be accounted in accordance with local labor law.

Supplies and Equipment - Differentiate between expendable supplies and nonexpendable equipment (NOTE: Equipment is defined as tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of $5,000 or more per unit, unless the Applicant's established policy establishes nonexpendable equipment anticipated to be required to implement the project, specifying quantities and unit cost.)

Allowances, if any, must be broken down by specific type and by person and must be in accordance with the Applicant's established policies.

Travel and Per Diem - The narrative should indicate the purpose of trip(s), number of trips, domestic and international, and the estimated unit cost of each. Specify the origin and destination for each proposed trip, duration of travel and number of individuals traveling. Proposed per diem rates must be in accordance with the Applicant's established policies and practices that are uniformly applied to federally financed and other activities of the Applicant.

Other Direct Costs (ODC) - could include costs such as communications, office rental, utilities, report preparation costs, passports, visas, medical exams and inoculations, insurance (other than the Applicant's normal coverage), other filed office operation costs, etc. The narrative, or supporting schedule, should provide a complete breakdown and support for each item of other direct costs.

Proposed (Sub) contracts/agreements - Applicants who intend to utilize subcontractors or sub recipients should indicate the extent intended and a complete cost breakdown, as well as all the information required herein for the Applicant. Extensive (sub) contract/agreement financial plans should follow the same cost format as submitted by the Applicant.

Cost share: ADS 303.3.10 Cost Share defines cost share as "the resources a recipient contributes to the total cost of an agreement. It is the portion of project or program costs not borne by the Federal Government." Although not required for this RFA, it is encouraged.

Responsibility Determination - An award shall be made only when the Agreement Officer makes a positive determination that the applicant possesses, or has the ability to obtain, the necessary management competence in planning and carrying out assistance programs and that it will practice mutually agreed upon methods of accountability for funds and other assets provided by USAID. For the organizations that are new to USAID, or organizations with outstanding audit findings, it may be necessary to perform a pre-award survey. The cost/business applications of all applicants submitting a technically acceptable application will be evaluated for general reasonableness, cost realism, allowability and allocability.

1. Applicants who do not currently have a Negotiated Indirect Cost Rate Agreement (NICRA) from U.S. Government agency shall submit the following information:
   - Copies of the applicant's financial reports for the previous 3-year period, which have been audited by a certified public accountant or other auditor satisfactory to USAID;
   - Cash flow and organizational chart; and
   - A copy of the organization's accounting manual.
   - Copies of applicable policies and procedures (e.g., accounting, purchasing, property management, personnel).

2. Applicants are required to submit Pre-award Certifications, Assurances and other Statements of the Recipient at http://transition.usaid.gov/policy/ads/300/303.pdf. Please note that these certifications are required for both the applicant and all sub-grantees whether US or non-US organizations.

3. Applicants shall submit any additional evidence of financial responsibility deemed necessary for the Agreement Officer to make a determination of responsibility to manage USG funds. The information submitted should substantiate that the Applicant:

   - Has adequate financial, management and personnel resources and systems, or the ability to obtain such resources as required during the performance of the award;
   - Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the applicant, nongovernmental and governmental;
   - Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinarily sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance; and
   - Has a satisfactory record of integrity and business ethics.

4. Certificate of Compliance: if available, submit a copy of your Certificate of Compliance if your organization's systems have been certified by the USAID/Washington's Office of Acquisition and Assistance (M/OAA).

5. DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

All U.S. Government recipients and contractors are required to secure a Data Universal Numbering System (DUNS) Number before an award can be made to them. The DUNS is a 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) that uniquely identify the recipient's name and address. It can be obtained from D&B at http://fedgov.dnb.com/webform.

Applicants may submit applications under this RFA without DUNS numbers. However, the selected applicant will be required to submit its DUNS number before it can receive an award.

Therefore, applicants are encouraged to obtain a DUNS number early so that, if selected, award will not be delayed.

6. EVIDENCE OF U.S. FEDERAL CONTRACTOR REGISTRATION

All U.S. Government recipients are required to be registered with the U.S. Federal Contractor Registration, formerly Central Contractor Registration (CCR), which was the U.S. Government repository into entities must provide information required for the conduct of business with the Government. The CCR is now incorporated into the System for Award Management (SAM). Information about registration procedures may be found at www.sam.gov.

Applicants may submit applications under this RFA without SAM Registration. However, the apparently successful applicant will be required to register and must submit evidence of registration to USAID. Therefore, applicants are encouraged to register with SAM early so that, if selected, award will not be delayed.

COOPERATIVE AGREEMENT AWARD

The Government may award a cooperative agreement resulting from this RFA to the responsible applicant whose application conforms to this RFA and offers the greatest value (see Section B of this RFA). The Government may (a) reject any or all applications, (b) accept other than the lowest cost application, (c) accept alternate applications, and (d) waive informalities and minor irregularities in applications received.

The Government may award a cooperative agreement on the basis of initial applications received, without discussions or negotiations. Therefore, each initial application should contain the applicant's best terms from a cost and technical standpoint. As part of its evaluation process, however, USAID may elect to discuss technical, cost or other pre-award issues with one or more applicants. Alternatively, USAID may proceed with award selection based on its evaluation of initial applications received and/or commence negotiations solely with one applicant.

An award will be made to the responsible applicant whose application offers the greatest value with technical, cost, and other factors considered.

A written award mailed or otherwise furnished to the successful applicant within the time for acceptance specified either in the application or in this RFA (whichever is later) shall result in a binding cooperative agreement without further action by either party. Before the application's specified expiration time, if any, the Government may accept an application, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations or discussions conducted after receipt of an application do not constitute a rejection or counteroffer by the Government.

Neither financial data submitted with an application nor representations concerning facilities or financing, will form a part of the resulting cooperative agreement unless explicitly stated otherwise in the agreement.

USAID is committed to achieving and maintaining a diverse and representative workforce and a workplace free of discrimination. Based on law, Executive Order, and Agency policy, USAID prohibits discrimination, including harassment, in its own workplace on the basis of race, color, religion, sex (including pregnancy and gender identity), national origin, disability, age, veteran's status, sexual orientation, genetic information, marital status, parental status, political affiliation, and any other conduct that does not adversely affect the performance of the employee. Applicants are reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all subcontracts/sub-awards issued under the cooperative agreement.

Foreign Government Delegations to International Conferences: Funds in the cooperative agreement may not be used to finance the travel, per diem, hotel expenses, meals, conference fees or other conference costs for any member of a foreign government's delegation to an international conference sponsored by a public international organization, except as provided in ADS Mandatory Reference "Guidance on Funding Foreign Government Delegations to International Conferences http://www.usaid.gov/policy/ads/300/350maa.pdf or as approved by the Agreement Officer.

[END OF SECTION IV]

SECTION V – APPLICATION REVIEW INFORMATION

The technical applications will be evaluated in accordance with the Technical Evaluation Criteria set forth below. Applicants shall organize the narrative sections of their technical applications in the same order as the selection criteria. Technical evaluation of applications will be based on the extent and appropriateness of proposed approaches and feasibility of achieving the strategic objectives, in accordance with the following criteria.

If award is not made on the initial applications, USAID may request clarification and supplemental materials from applicants whose applications have a reasonable chance of being selected for award. The entry into discussion is to be viewed as part of the evaluation process and shall not be deemed by USAID or the applicants as indicative of a decision or commitment upon the part of USAID to make an award to the applicants with whom discussions are being held.

I. TECHNICAL EVALUATION CRITERIA

A technical evaluation committee, using the criteria shown in this Section, will evaluate the technical applications. The various functional elements of the technical criteria are assigned weighted scores, so that the Applicants will know which areas require emphasis in the preparation of applications.

Where technical applications are considered essentially equal, cost may be the determining factor. Applicants should note that these criteria serve as the standard against which all applications will be evaluated and serve to identify the significant matters which applicants should address in their applications.

The relative importance of each criterion is indicated by the number of points assigned. A total of 100 points is possible. All sub-criteria are equal in weight.

1. Technical Approach (35 Points)

- Extent to which the proposed approach is logical, technically sound, and ambitious yet feasible to achieve the objectives and considerations identified in the program description
- Extent to which the proposed approach incorporates innovative tools and lessons learned
- Extent to which the proposed approach includes actions or activities that address the long-term sustainability of program results
- Extent to which the proposed performance monitoring plan is clearly articulated, including the methods for collecting baseline and impact data, and establishing targets
- Extent to which the approach capitalizes and builds on existing local capacity to position the sub-recipient(s) to effectively manage the second phase of the program

- Extent to which the proposed program builds on GOG, other USG and USAID/Georgia programs, and collaborates with local and international actors implementing similar programs
- Extent to which gender, youth, and people with disabilities considerations are identified and integrated into the approach

2. Staffing Plan (30 Points)

- Extent to which the overall staffing plan and team structure demonstrates the Applicant's ability to quickly launch and successfully implement the Award
- Extent to which Key Personnel have appropriate academic backgrounds and field experience working on similar activities
- Extent to which the staffing plan makes use of existing Georgian expertise that may be engaged in the second phase of the program to be implemented by the local organization(s)

3. Organizational Capacity (15 Points)

- Extent to which the Applicant's institutional capacity demonstrates an ability to quickly launch and successfully implement the activity, including: sound financial and programmatic management practices implementing similar activities and achieving sustainable results, and experience in building and maintaining partnerships and collaboration

4. Past Performance (20 Points)

- Past performance evaluation will focus on the recipient's successful experience in designing and implementing similar activities; quality of services provided; record of forecasting and controlling costs; adherence to award schedules and requirements, including administrative aspects of performance; history of reasonable and cooperative behavior; retention of proposed Key Personnel; and commitment to customer satisfaction

COST EVALUATION

Cost has not been assigned a weight but will be evaluated for realism, reasonableness, allowability, allocability, and cost effectiveness. The pre-award evaluation of cost effectiveness will include an examination of the application's budget detail to ensure it is a realistic financial expression of the proposed project and does not contain estimated costs which may be unallocable, unreasonable, or unallowable. Applications that have more efficient operational systems that reduce operation costs will be favorably considered.

Applications that maximize direct activity costs including cost sharing and that minimize administrative costs is encouraged. Other considerations are the completeness of the application adequacy of budget detail and consistency with elements of the technical application. In addition, the organization must demonstrate adequate financial management capability, to be measured by a responsibility determination.

BEST VALUE DECISION

Award will be made to the Applicant whose application offers the best value to the Government. Best value is defined as the expected outcome of a procurement that, in the Government's estimation, provides the greatest overall benefit in response to the requirement.

For this RFA, technical proposal merits are considered significantly more important than cost relative to deciding which Applicant might perform the work best. Cost realism, effectiveness and reasonableness will be the determining factors in the event that the applications receiving the highest ratings are closely ranked. Therefore, after the final evaluation of the application, the Agreement Officer will make the award to the Applicant whose application offers the best value to the Government considering technical, cost and other factors.

Other areas of review and discussion will vary according to the circumstances pertaining to the application.

[END OF SECTION V]

SECTION VI – AWARD AND ADMINISTRATION INFORMATION

1. A written award mailed or otherwise furnished to the successful applicant within the application's validity time as specified either in the application or in this RFA (whichever is later) shall result in a binding Cooperative Agreement without further action by either party. Before the application's specified validity expiration time, the Government may accept an application, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received by the applicant before award. Negotiations or discussions conducted after receipt of an application do not constitute a rejection or counteroffer by the Government.

2. Applicants must set forth full, accurate and complete information as required by this RFA. The penalty for making false statements to the Government is prescribed in 18 U.S.C. 1001.

3. Neither financial data submitted with an application nor representations concerning facilities or financing, will form a part of the resulting Cooperative Agreement unless explicitly stated otherwise in the agreement.

4. USAID reserves the right to perform a pre-award survey which may include, but is not limited to: (1) interviews with individuals to establish their ability to perform agreement duties under the project conditions; (2) a review of the prime recipient's financial condition, business and personnel procedures, etc.; and (3) site visits to the prime recipient's institution.

5. Relevant Policy and Regulatory References: Resulting awards to U.S. non-governmental organizations will be administered in accordance with Chapter 303 of USAID's Automated Directives System (ADS-303), 22 CFR 230 for nonprofit organizations (formerly OMB Circular A-122), and OMB Circular A-133 for both universities and non-profit organizations, and Standard Provisions for U.S. Nongovernmental Organizations. These policies and federal regulations are available at the following web sites:

1. ADS-303: http://www.usaid.gov/policy/ads/300/303.pdf
2. 22 CFR 226 and 22 CFR 230 (formerly OMB Circular A-122)
   http://www.gpo.gov/fdsys/pkg/CFR-2003-title22-vol1/content-detail.html
3. OMB Circular A-133 - Audits of States, Local Governments and Non-Profit Organizations
   http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf
4. Standard Provisions for U.S. Nongovernmental Organizations:
   http://www.usaid.gov/pubs/ads/300/303maa.pdf

For any sub-awards made with Non-US sub-recipients the Recipient shall include the applicable "Standard Provisions for Non-US Nongovernmental Grantees." Recipients are required to ensure compliance with sub-recipient monitoring procedures in accordance with OMB Circular A-133.

6. Authority to Obligate the Government: The Agreement Officer is the only individual who may legally commit the Government to the expenditures of public funds. No costs chargeable to the proposed Cooperative Agreement may be incurred before receipt of either a fully executed Cooperative Agreement or a specific, written authorization from the Agreement Officer.

7. Performance Monitoring and Reporting Requirements:

The Recipient shall be responsible for delivery of the following items:

Implementation Plan: The recipient must provide a draft implementation plan for the program components described in the program description within 30 days of award. The recipient must provide annual implementation plans, including annual monitoring and evaluation plans that will be approved by the Agreement Officer's Representative (AOR). The 2nd and subsequent year implementation plans shall be submitted no less than 60 days prior to the end of the current US Government Fiscal Year, ending September 30. Annual implementation plans may be revised on an occasional basis, as needed and with the concurrence of the AOR, to reflect changes on the ground.

Performance Monitoring Plan: The recipient must submit a Performance Monitoring Plan (PMP) plan with the annual implementation plan; the PMP will be approved at the same time by the AOR. The recipient will be required to collect baseline data for all the PMP indicators during the first year of the project. The PMP should track applicable indicators from the program description, standard F indicators, and any other output and outcome indicators proposed by the recipient. The recipient must collect and submit to USAID/Georgia all applicable indicator data on a bi-annual basis, in April and October, as part of their quarterly reports. Data collected in April will cover the period from October 1 through March 31 (the first six months of the fiscal year), while data collected in October will cover the period from April 1 through September 30 (the second half of the fiscal year). The PMP should be updated annually and revised as appropriate in collaboration with USAID. The updated PMP should ensure that the data effectively capture and adequately measure the expected outputs/results/impact outlined in the implementation plan. In addition, the recipient should ensure that there is a clear link between the quarterly reports and the approved implementation plan, i.e. the expected results of the activities (PMP targets) outlined in approved implementation plan are in due course reflected in the project's quarterly performance reports. The PMP should disaggregate data by sex for all people-level indicators and monitor and assess the success of gender-mitigating activities.

Quarterly Progress Reports: The recipient must submit quarterly progress reports within10 days from the end of the reporting period. Submission will follow the U.S. Government (USG) reporting periods beginning October 1. These reports should summarize progress on major activities during the period of performance, indicating any problems encountered and the steps that were taken or will be taken to resolve those issues as appropriate and also include success stories. The recipient should promptly notify the Agreement Officer (AO) and the AOR of any problems, delays, or adverse conditions, which materially impair the recipient's ability to meet the requirements of the Agreement.

Monthly Meetings: The recipient must hold monthly (or more frequently as necessitated by conditions related to project performance) meetings with the AOR, and/or the alternate AOR if the AOR is not available, to discuss progress, identify opportunities for program improvement, and resolve problems as required.

Weekly reports: The recipient must submit weekly reports to the AOR to update USAID on the project's status. The structure of the weekly report should be agreed upon with the AOR.

Annual and Final Reporting: The recipient must submit an annual report for each Fiscal Year, describing program activities from the four quarters (a separate fourth quarter report is not necessary) and providing an assessment toward achieving the annual objectives set forth in the annual implementation plan. This report is due 30 days after the end of the fiscal year.

At the end of implementation, the recipient must prepare a final program report. The recipient should prepare periodic success stories and other outreach materials that can be utilized by USAID.

Geographic Information System (GIS) Reporting:

1. The recipient shall provide the AOR with ArcGIS compatible information about the project activities along with quarterly project reports. For this purpose, the recipient should fill in the appropriate Excel Spreadsheet "Project General and Activity Data Template." This template will be provided by the USAID/Caucasus program office.

2. The recipient] shall submit data for several key indicators that measure the most significant outputs/deliverables of the project by region, municipality, town or village annually by November 15. The recipient should work closely with the AOR to review the project-level PMP or M&E plan to identify jointly key indicators of success that reflect and convey the most important results achieved or to be achieved. USAID is most interested in the indicators that can be meaningfully disaggregated by geographic location. The number of these indicators will depend upon the complexity of the project and could range in number approximately from 1 to 10.

Final Report: The Recipient is required to submit final report will be submitted within 90 calendar days after the estimated completion date of the Award. The Recipient shall submit one copy of a Final Report to the USAID AOR and one copy to the Agreement Officer. In addition, one copy shall be submitted to:

USAID Development Experience Clearinghouse (DEC)
Online (preferred):
http://dec.usaid.gov

Mailing address:
Development Experience Clearinghouse
M/CIO/KM
RRB M.01
U.S. Agency for International Development
Washington DC 20523

The Final Report shall contain the following information as described in 22 CFR 226.51(d), covering the full period of the Award: an executive summary of the accomplishments and results achieved; an overall description of the activities and accomplishments; a summary of problems/obstacles encountered during implementation; success stories; an assessment of the performance in accomplishing the project's objectives; significance of these activities; findings; comments and recommendations; other pertinent information.

This report should eliminate politically sensitive or proprietary information. Reports should incorporate as many graphics (maps, photos, charts, etc.) as possible and should include all project and evaluation tools and materials, in annex.

Financial Reporting:

The recipient must submit the Federal Financial Form (SF-425) on a quarterly basis via electronic format to the U.S. Department of Health and Human Services (http://www.dpm.psc.gov). The recipient must submit a copy of the FR at the same time to the Agreement Officer's Representative (AOR) and The Agreement Officer (AO).

> Electronic copies of the SF-425 can be found at:
> http://www.whitehouse.gov/omb/grants/standard_forms/ff_report.pdf and
> http://www.forms.gov/bgfPortal/docDetails.do?dId=15149.
>
> Line item instructions for completing the SF-425 can be found at:
> http://www.whitehouse.gov/omb/grants/standard_forms/ffr_instructions.pdf.

The recipient must submit the original and two copies of all final financial reports to USAID/Washington, M/CFO/CMPLOC Unit, the Agreement Officer (AO), and the AO The recipient must submit an electronic version of the final Federal Financial Form (SF-425) to U.S. Department of Health and Human Services in accordance with paragraph (1) above.

8. BRANDING STRATEGY AND MARKING PLAN:

It is a federal statutory and regulatory requirement (see Section 641, Foreign Assistance Act of 1961, as amended and 22 CFR 226.91) that all USAID programs, projects, activities, public communications, and commodities that USAID partially or fully funds under a USAID grant or cooperative agreement or other assistance award or sub-award must be marked appropriately overseas with the USAID identity. In accordance with ADS 320.3.3 Branding and Marking Requirements for Assistance Awards USAID's policy is that programs, projects, activities, public communications, or commodities implemented or delivered under co-funded instruments – such as grants, cooperative agreements, or other assistance awards that usually require a cost share – generally are "co-branded and co-marked."

The successful applicant will be required to submit a branding strategy and marking plan. The Applicant may request a presumptive exemption to marking requirements established in 22 CFR 226.91. More information on Branding strategy and Marking plan are available at **http://www.usaid.gov/work-usaid/branding/assistance-awards**

The branding strategy and marking plan will become a material element of the cooperative agreement. Information on USAID's branding "assistance" applies to this RFA. ADS Chapter 320 sections concerning "acquisition" do not apply to this RFA. ADS Chapter 320 can be found on USAID website: http://www.usaid.gov/policy/ads/300/320.pdf.

[END OF SECTION VI]

SECTION VII – AGENCY CONTACTS

Any prospective applicant desiring an explanation or interpretation of this RFA must request it in writing by the deadline for questions specified in the cover letter to allow a reply to reach all prospective applicants before the submission of their applications. Any information given to a prospective applicant concerning this RFA will be furnished promptly to all other prospective applicants as an amendment of this RFA, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicants.

Any questions or comments concerning this RFA must be submitted in writing by email to Mr. Ashraf Soos asoos@usaid.gov by the deadline for questions indicated at the top of this RFA's cover letter.

[END OF SECTION VII]

SECTION VIII – ANNEX

ANNEX A – INITIAL ENVIRONMENTAL EXAMINATION (IEE)

DCN: 2012-GEO-076

USAID FROM THE AMERICAN PEOPLE

US Agency for International Development (USAID)
USAID/Georgia
Initial Environmental Examination (IEE)

Program/Project/Activity Data

Activity/Project Name:	**EC-LEDS Clean Energy**		
Assistance Objective:			
Program Area:	**Infrastructure**		
Country(ies) and/or Operating Unit:	**Georgia**		
Originating Office:	**Energy and Environment**	Date: June 22, 2012	
PAD Level IEE: Yes ☒ No ☐ Supplemental IEE: Yes ☐ No ☐ RCE/IEE Amendment: Yes ☐ No ☐	DCN of Original RCE/IEE: DCN of Amendment(s):		
If Yes, Purpose of Amendment (AMD):			
DCN(s) of All Related EA/IEE/RCE/ER(s):			
Implementation Start/End:	FY13-FY17	LOP: FY13-FY	
Funding Amount:		LOP Amount: $7,759,783	
Contract/Award Number (if known):			
IEE Expiration Date (if any): NA	Reporting due dates (if any): NA		

Recommended Environmental Determination:

Categorical Exclusion:	☒	Positive Determination:	☒
Negative Determination:	☒	Deferral:	☐

Additional Elements:

Conditions:	☐	Local Procurement:	☐
Government to Government:	☐	Donor Co-Funded:	☐
Sustainability Analysis (included):	☐	Climate Change Vulnerability Analysis (included):	☐

1. Background and Project Description

1.1. Purpose and Scope of IEE

The technical assistance and capacity building that will be provided to the Government of Georgia through the EC-LEDS Clean Energy Program will develop a foundation for achieving long-term, measurable greenhouse emission reductions as compared to a business-as-usual development pathway. The project will assist municipalities in planning and implementing energy efficiency improvements in their municipalities to reduce energy consumption in public and private buildings, promote energy efficiency technologies in the private sector, and slow the growth of emissions.

1.2 Project Overview

Activities will include but not limited to capacity building and guidance to municipalities for: development of Sustainable Energy Action Plans (SEAPs); development of business plans for Sustainable Energy Offices; development of methodologies for monitoring and verification of energy and GHG reduction measures and their cost-effectiveness; preparation of Sustainable Energy Public Awareness Plans; development and implementation of pilot energy efficiency improvement projects via partial grants and facilitated finances; and introduction of a voluntary green building rating and certification system.

1.3 Project Description

The Georgia MunEE component will provide training and guidance to at least 10 cities on preparation of SEAPs, and will prepare business plans to enable the municipalities to implement the SEAPs by either establishing Sustainable Energy Offices or regional Sustainable Energy Resource Centers. Additional services will be provided to all participating municipalities, including Tbilisi. These services include the preparation of monitoring/reporting/verification plans; public awareness plans and related materials; and project preparation and implementation assistance including preparing technical and financial project analyses, issuing partial grants, and facilitating project financing. This component intends to build on the success of Tbilisi's participation in the EU's Covenant of Mayors (COM) by providing additional assistance to the City and at least nine other municipalities, some of which are already signatories to the COM. Tbilisi developed and submitted its SEAP in 2011 and established a Sustainable Energy Agency, as required by the COM, with assistance from USAID.

The Green Building Rating and certification System component will establish a voluntary rating and certification system for buildings meeting recommended energy efficiency features in new construction and major rehabilitation projects, and will build market demand for qualifying buildings. The rating and certification system would be selected in cooperation municipalities, construction companies, builders, developers, and energy efficiency equipment suppliers.

The proposed project embodies the EC-LEDS approach of working with Georgia's economic growth and development strategy in a market-driven way that minimizes the GHG emissions associated with its growth, in other words lowering the "carbon footprint" or GHG trajectory while still meeting Georgia's long-term development goals.

The implementer will prepare studies for each site for which energy efficiency issues will be addressed through co-financing or full financing from private and/or public sources. Studies for projects/sites that involve major refurbishment, rehabilitation or construction works will include an environmental assessment (EA) or programmatic environmental assessment (PEA) per 22 CFR 216.6, to be approved by the Bureau Environment Officer (BEO), to ensure environmental consequences are known and mitigation measures clearly identified prior to releasing of the studies as bankable documents. Prior to conducting the EA or PEA, a scoping statement will be prepared per 22 CFR 216.3(4) and approved by the BEO. The implementer may propose site-specific environmental assessments that comprehensively examine the potential environmental and social impacts of a specific site.

1.3.1 Component 1 – Municipal Energy Efficiency

1.3.2 Component 2 – Green Building rating and Certification System

2. Baseline Environmental Information

2.1. Locations Affected and Environmental Context

Georgia is situated along the Black Sea and borders the neighboring countries of Azerbaijan, Armenia, Turkey, and Russia. The physical terrain of Georgia is mountainous. The population of Georgia is 4.4 million. The capital city is Tbilisi with a population of 1.5 million people. Natural resources include iron ore, hydropower generation, manganese deposits and forestry. The coastal climate is suitable for the growth for tea and citrus fruits. Industries include winemaking, steel, textiles, wood products and machinery. The Republic of Georgia is still recovering from one of the worst collapses suffered by any post-communist country. Chronic unemployment remains one of the greatest obstacles to improving living standards. With an estimated 35% of the Georgian population living at or below the poverty line, the Georgian government finds itself unable to address the social safety needs of the population adequately. The National Environmental Action Plan (NEAP, 2000) and National Biodiversity Strategy and Action Plan (NBSAP, 2005) are the main national level policy documents related to biodiversity conservation. Both of these documents are outdated and not used in practice in Georgia. The Ministry of Environment of Georgia began the process of preparing a new NEAP and NBSAP in 2009.

Georgia is a party to the major international treaties concerning biodiversity and natural resources. These include: Convention on Biological Diversity 1994, United Nations Framework Convention on Climate Change 1994, Convention on International Trade in Endangered Species of Wild Fauna and Flora 1996, Convention on Wetlands of International Importance especially as Waterfowl Habitat 1997, Convention on the Conservation of Migratory Species of Wild Animals 2000, Agreement on the Conservation of Bats in Europe 2002, and a number of others. The most relevant to biodiversity conservation include: Convention on the Conservation of European Wildlife and Natural Habitats (2009), Cartagena Protocol on Biosafety to the Convention on Biological Diversity (2009); and the Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and other.

Due to the decline in Georgia's energy and industrial activities and trade following the disintegration of the Soviet Union in 1991, Georgia's national emissions in 2006 (12,220 $ktCO_2e$) represent only 26% of its 1990 levels. However, paralleling its economic growth, Georgia's emissions have risen slowly but steadily since 2004. In the most recent national inventory presented in *Georgia's Second National Communication to the UNFCCC* (SNC), the energy sector accounts for approximately half of Georgia's emissions (transport contributing approximately 10%), followed by agriculture (27%), industry (15%), and waste (9%).

Comprehensive macroeconomic models and projections for Georgia (and the resulting emissions impact) have not been developed. The SNC contains a business-as-usual model that forecasts emissions resulting from Georgia's energy sector to increase from 5,964 $ktCO_2e$ in 2006 to 16,397 $ktCO_2e$ in 2025. The SNC also notes that emissions from the growth sectors of transportation and industry are likely to increase; however, a quantitative assessment of the magnitude of these increases has not been undertaken, nor have projections for the agriculture or waste sectors been developed.

The GOG's emphasis on economic growth and poverty reduction has made environmental considerations and low emissions development secondary priorities. The Ministry of Environment (MoE) of Georgia has made great strides in improving the GHG inventories included in its national communications and has developed internal strategies for GHG mitigation through a variety of programmatic documents, including its draft *National Environmental Action Plan* (NEAP). However, national policies and strategies focused on reducing emissions and developing in a sustainable, low emission fashion have not been adopted, and the GOG has not made a formal commitment to reducing emissions.

To date, two national greenhouse gas inventories, supported by UNDP/GEF, have been developed for the national communications submitted by Georgia to UNFCCC in 1999 and 2009. The INC covered years 1987-1997, while the SNC covered years 1998-2006. The SNC inventory was developed according to IPCC 1996 Revised Guidelines and Good Practice Guidance (GPG) 2000. All direct GHGs (CO_2, CH_4, N_2O, HFCs, PFCs, SF_6) were covered as well as indirect GHGs (CO, NOx, NMVOC, SO_2). Emissions were estimated for the energy, transport, agriculture, industry, waste, industrial gas, land use, land-use change, and forestry sectors. Emissions for most sectors were estimated using IPCC Tier 1 methods, although some sources (including certain agriculture and industrial gas sources) utilized a Tier 2 methodology. Each source/sink category included at least a basic description of the data used to estimate emissions, but in some cases the documentation was not detailed enough to enable a third party to locate the data or replicate the process. The primary source of data for Georgia's GHG inventory is the National Statistics Office of Georgia (Geostat). Geostat does not use its own resources to collect data specifically for inventory purposes, and most of the data collected by Geostat serves to monitor the economic activity in the country.

The City of Tbilisi developed a baseline GHG inventory as part of the city's Sustainable Energy Action Plan (SEAP), which was developed through its participation in the Covenant of Mayors with support from USAID. For the City of Tbilisi baseline GHG inventory, the city collected relevant activity data associated with transport, building, street lighting, municipal landfill, waste water treatment, green space, and electricity and gas distribution. This data collection is on-going to allow the city to track its progress toward increasing its energy efficiency and reducing CO_2 emissions. The data collected is made available to the public.

At a national level, the GOG has yet to introduce a comprehensive, low-emissions (sustainable) development strategy. Similarly, climate change is not integrated into the development plans of various sectors, as no legal regulations require sector development plans to incorporate consideration of climate change impacts. The Ministry of Economy and Sustainable Development (MESD) is undertaking efforts to study options for encouraging a green economy and is currently negotiating with UNDP to assess Georgia's main economic sectors, including agriculture, transport, energy, manufacturing, and tourism. However, this study intends to encourage growth in green business rather than low emissions development across the economy.

Although Georgia has no formal LEDS, environmental strategy documents such as the *National Environmental Action Plan* (NEAP) and the national communications incorporate climate change mitigation and adaptation. The draft of the second NEAP represents the MoE's official agenda for environmental actions between 2011 and 2015 and establishes long and short-term targets related to climate change. Georgia's long-term (20-year) objectives include: 1) "ensuring the security of the Georgian population by means of implementation of measures for adaptation to climate change," and 2) reducing GHG emissions. Five-year interim targets include implementing adaptation measures in vulnerable regions, identifying climate change impacts in additional regions and sectors, and reducing emissions (MoE 2010). However, these documents serve as internal planning documents for MoE and have not been approved by Parliament as overarching GOG policies (UNECE 2010).

On a local level, four major Georgian cities—Tbilisi, Batumi, Rustavi, and Kutaisi—are signatories to the European Commission's Covenant of Mayors, a forum for local and regional governments to voluntarily commit to slow GHG emissions growth and implement sustainable energy policies; other cities are also interested in joining. Through its Sustainable Energy Action Plan (SEAP), Tbilisi (which accounts for a third of Georgia's emissions) has proposed a variety of actions to slow the growth of its emissions by 25% by 2020 (Government of Tbilisi 2011). Although separate from the Tbilisi City Council's Strategic Plan for Future Development of the Capital City, the SEAP incorporates the development priorities given in this document and provides a strategy for reducing emissions from the city's transport, buildings, and infrastructure sectors. Other Georgian cities are also interested in becoming signatories to the Covenant of Mayors.

2.2. Description of Applicable Environmental and Natural Resource Legal Requirements Policies, Laws, and Regulations

Georgia has a significant number of laws, President's orders and Government acts on environmental protection. Some examples include:

- The Law on Environmental Protection (1999 and updated)
- Law on Environmental Impact Permit (1991 and updated)
- Law on Ecological Expertise (2007)
- Law on Protected Areas
- Forestry code (under the process of updating)
- Water law (under the development)

- Red Book

The Law on Ecological Expertise of 2007 remains the framework for environmental impact assessments (EIAs) that apply to new projects that may have adverse impacts on the environment. EIAs are part of the state ecological expertise (SEE) authority. Citizens and public organizations have access to EIAs and can express their views according to Aarhus and Espo conventions.

2.3. Sustainability Analysis

This IEE is a PAD IEE for the subject project. The project design team conducted desk studies to assess and analyze environmental aspects of sustainability. The analysis tried to assess what activities the project should have implemented to sustain desired results of the project after the project end. The analysis revealed that to have Georgia permanently utilize energy efficiency measures in their economic development planning, it is necessary to institutionalize number of systems including green building standards, greater access to financing, etc. to make finances more accessible and investments in energy efficiency more attractive, economically sound and profitable for the public and private sector. Putting such a system(s) in place along with local capacity building and awareness will ensure robust and tangible results after the project end and guarantee gradual reduction in CO2 emissions over the long period of time thus minimizing impact on the environment as economy of Georgia will continue to grow.

2.4. Climate Change Vulnerability Analysis

TheIPCC has analyzed and suggested carbon reduction options are related to energy efficiency technologies. Energy efficiency options cost less on a life cycle basis than costs of energy supply. Energy efficiency also accounts for a major portion of the total emission reductions. More importantly, the net savings from the efficiency options offset much of the costs associated with initial investments necessary for energy efficiency upgrades. IPCC concludes that these energy efficiency technologies are thus essential to achieving emissions reductions at low net costs to the economy. Energy efficiency is widely available as a resource that costs less than conventional energy in most markets of the world.

Analyses have shown that the efficiency potential has been tapped only in small measure (UN Foundation 2007, Nadel 2004). The USAID-funded Energy Efficiency Potential in Georgia study also suggested that there is *a huge untapped potential for energy efficiency* in Georgia as well. These analyses and studies, along with the recent IPCC analyses, consistently show that efficiency is not only a large energy resource but also offers major opportunities for addressing the climate challenge. They generally show that aggressive efficiency investment, driven by policy commitments and policies focused on addressing market barriers, can meet most or all of the projected growth in energy demand, especially in the electricity sector. Similarly, these studies tend to show that the growth in GHG emissions can be arrested through accelerated energy efficiency technology deployment. However, realizing these opportunities will take policy actions.

Thus, USG support to the GOG and municipalities through the EL-LEDS Clean Energy Project should help Georgia’s efforts to pursue long-term, transformative development and accelerate sustainable economic growth while reducing greenhouse gas (GHG) emissions. The project will provide technical assistance (TA) and conduct capacity building activities for the local municipalities in planning and implementing energy efficiency improvements in their respective municipalities to reduce energy consumption in public and private buildings and businesses and promote energy efficiency technologies through greater private sector participation. These activities will help Georgia and target municipalities to slow the negative effects of the GOG-planned economic development on the climate and assist the country to plan its economic development by taking into consideration climate change issues that will reduce climate change vulnerabilities from Georgia's economic development in the long term.

3. Analysis of Potential Environmental Impact

3.1. Component 1: Municipal Energy Efficiency

Defined/Illustrative Activities	Potential Impacts
1.1. Provide advisory assistance to the Government of Georgia to articulate concrete actions, policies, programs and implementation plans that advance economic growth, improve environmental management, and meet Georgia's development objectives.	No impacts
1.2. Provide structured, sequenced training on the preparation of a Sustainable Energy Action Plan (SEAP), consistent with procedures acceptable to the Covenant of Mayors, and develop software based on the approved methodology.	No impacts
1.3 Prepare business plans for the target cities to establish Municipal Sustainable Energy Offices.	No impacts
1.4 Develop methodologies for monitoring and verifying the energy and GHG reductions, and their cost-effectiveness, associated with activities implemented under the SEAPs.	No impacts
1.5 Design plans to increase public awareness of energy efficiency and renewable energy in support of public investments and encourage household energy efficiency and support municipalities with implementation.	No impacts
1.6 Undertake project preparation activities to enable financing of projects implemented under the SEAPs. Projects that may be prepared and implemented include, but are not limited to: (1) energy efficiency improvements to public buildings either belong to or maintained under the municipal budget (e.g. kindergartens, schools, clinics, administrative buildings, cultural facilities) for insulation, weatherization, new windows, indoor lighting, hot water, etc.; (2) energy efficiency street lighting; (3) co-generation Heat and Power (CHP), including biomass fuel that feeds into and serves heating networks for municipal buildings; (4) energy efficiency improvements to water and wastewater systems such as pumps, meters, local metering, leak detection and repair; (5) landfill methane recovery for use in CHP, public buildings or for selling to the gas network; and (6) improvements to apartment buildings managed by condominium associations or other housing maintenance organizations organized by the municipality. Such improvements will focus on alterations that directly reduce energy use and improve comfort in common areas and that indirectly may produce similar benefits to individual apartments; examples include doors, windows, weatherization, efficient lighting and occupancy sensors, etc.	Adverse impacts to land, water, biodiversity.
1.7 Provide partial project grants and project financing. The project will provide grant funding in the amount of up to 20% (not to exceed $50,000 per project) of total pilot project implementation costs (equipment costs plus installation labor) on a cost-sharing basis with the municipality for selected projects, covering at least one pilot project in each participating municipality. The balance of project implementation costs may come from one or more of the following	Adverse impacts to land, water, biodiversity.

Defined/Illustrative Activities	Potential Impacts
sources: the municipal budget if available, Georgian Municipal Fund, World Bank, IFC, EBRD, or Development Credit Authority (DCA) partial loan guarantee facility with a commercial bank in Georgia.	
1.8 Where feasible, the project will assist the municipalities in building capacity to develop public-private partnerships (PPPs) to implement projects.	No impacts

3.2. Component 2: Green Building rating and Certification System

Defined/Illustrative Activities	Potential Impacts
2.1 Establish a voluntary rating and certification system green buildings.	No impacts
2.2 Develop and implement a promotional strategy and campaign to promote qualifying buildings.	No impacts
2.3 Develop and implement strategies for institutionalizing the green building rating and certifying system.	No impacts
2.4 Encourage municipalities and banks to institutionalize the use of energy efficiency building standards.	No impacts
2.5 Prepare a monitoring/reporting/verification strategy by which to determine the energy savings and GHG reductions associated with qualifying buildings.	No impacts

4. Recommended Environmental Actions

4.1. Recommended Mitigation Measures

Component 1 – Municipal Energy Efficiency

Defined/Illustrative Activities	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
1.1 Provide advisory assistance to the Government of Georgia to articulate concrete actions, policies, programs and implementation plans that advance economic growth, improve environmental management, and meet Georgia's development objectives.	No impacts	NA	Categorical Exclusion
1.2 Provide structured, sequenced training on the preparation of a Sustainable Energy Action Plan (SEAP), consistent with procedures acceptable to the Covenant of Mayors, and develop software based on the approved methodology.	No impacts	NA	Categorical Exclusion
1.3 Prepare business plans for the target cities to establish Municipal Sustainable Energy Offices.	No impacts	NA	Categorical Exclusion
1.4 Develop methodologies for monitoring and verifying the energy and GHG reductions, and their cost-effectiveness, associated with activities implemented under the SEAPs.	No impacts	NA	Categorical Exclusion
1.5 Design plans to increase public awareness of energy efficiency and renewable energy in support of public investments and encourage household energy efficiency and support municipalities with implementation.	No impacts	NA	Categorical Exclusion

1.6 Undertake project preparation activities to enable financing of projects implemented under the SEAPs. Projects that may be prepared and implemented include, but are not limited to: (1) energy efficiency improvements to public buildings either belong to or maintained under the municipal budget (e.g. kindergartens, schools, clinics, administrative buildings, cultural facilities) for insulation, weatherization, new windows, indoor lighting, hot water, etc.; (2) energy efficiency street lighting; (3) co-generation Heat and Power (CHP), including biomass fuel that feeds into and serves heating networks for municipal buildings; (4) energy efficiency improvements to water and wastewater systems such as pumps, meters, local metering, leak detection and repair; (5) landfill methane recovery for use in CHP, public buildings or for selling to the gas network; and (6) improvements to apartment buildings managed by condominium associations or other housing maintenance organizations organized by the municipality. Such improvements will focus on alterations that directly reduce energy use and improve comfort in common areas and that indirectly may produce similar benefits to individual apartments; examples include doors, windows, weatherization, efficient lighting and occupancy sensors, etc.	Adverse impacts to land, water, biodiversity.	The implementer will develop an Environmental Assessment (EA) or Programmatic Environmental Assessment (PEA) to guide the development of energy efficiency on infrastructure. A Scoping Statement (SS) followed by a PEA or EA will be approved by the E&E Bureau Environmental Officer (BEO) before initiating this activity.	Positive Determination

1.7 Provide partial project grants and project financing. The project will provide grant funding in the amount of up to 20% (not to exceed $50,000 per project) of total pilot project implementation costs (equipment costs plus installation labor) on a cost-sharing basis with the municipality for selected projects, covering at least one pilot project in each participating municipality. The balance of project implementation costs may come from one or more of the following sources: the municipal budget if available, Georgian Municipal Fund, World Bank, IFC, EBRD, or Development Credit Authority (DCA) partial loan guarantee facility with a commercial bank in Georgia.	Adverse impacts to land, water, biodiversity.	Either through the EA or PEA process or through environmental reviews, which will be supplementary to this IEE, i.e., preparation and USAID approval of the an Environmental Review Checklist for Identifying Potential Environmental Impacts of Project Activities and Processes (ERC) (See Annex 1), USAID will ensure that implementing partners develop Environmental Mitigation and Monitoring Plans (EMMPs) that adequately address environmental concerns.	Positive or Negative Determination with conditions
1.8 Where feasible, the project will assist the municipalities in building capacity to develop public-private partnerships (PPPs) to implement projects.	No impacts	NA	Categorical Exclusion

Component 2 – Green Building rating and Certification System

Defined/Illustrative Activities	**Potential Impacts**	**Mitigation Measures**	**Recommended Threshold Determination**
2.1 Establish a voluntary rating and certification system green buildings.	No impacts	NA	Categorical Exclusion
2.2 Develop and implement a promotional strategy and campaign to promote qualifying buildings.	No impacts	NA	Categorical Exclusion
2.3 Develop and implement strategies for institutionalizing the green building rating and certifying system.	No impacts	NA	Categorical Exclusion
2.4 Encourage municipalities and banks to institutionalize the use of energy efficiency building standards.	No impacts	NA	Categorical Exclusion

2.5 Prepare a monitoring/reporting/verification strategy by which to determine the energy savings and GHG reductions associated with qualifying buildings.	No impacts	NA	Categorical Exclusion

4.2 Recommended Environmental Determination:

Categorical Exclusions:
A categorical exclusion is recommended for the following identified activities under 22 CFR 216.2(c)(2):

- Activities 1.1, 1.2, 1.3, 1.4, 1.5, & 1.8 under §216.2(c)(2)(i) Education, technical assistance, or training programs except to the extent such programs include activities directly affecting the environment (such as construction of facilities, etc.);
- Activities 2.1, 2.2, 2.3, 2.4 & 2.5 under §216.2(c)(2) (iii)Analyses, studies, academic or research workshops and meetings;

***Positive Determination*:**

A positive determination is recommended for Activity 1.6. The activity relates to project preparation subactivity that will enable financing of projects implemented under the SEAPs. In addition, if grant-making activities under Activity 1.7 will not be subject to environmental review and decision-making supplemental to this IEE, i.e., using the ERC process, then a positive determination will also be recommended for this activity. Specific terms and conditions are presented below in Section 4.3.

Negative Determination with Conditions:

If the decision is made to not include Activity 1.7 in the EA or PEA, then, under §216.3(a)(2)(iii), a negative determination with conditions is recommended. Specific terms and conditions are presented below in Section 4.3.

4.3 Terms and Conditions:
If Activity 1.7 is not addressed in an EA or PEA, then the grant activities shall be considered a negative determination with the following conditions:

4.3.1. Implementing partners (IP) shall develop Environmental Review Checklists for Identifying Potential Environmental Impacts of Project Activities and Processes (ERCs) (See Annex 1) for all Municipal Energy Efficiency Grant Activities. The IP shall rely on the expertise of a qualified environmental impact specialist, who in consultation with the Mission Environmental Officer (MEO) and the Bureau Environmental Officer (BEO), shall assess and recommend further environmental actions to be taken. The MEO may serve as a reviewer in select instances where a BEO-approved implementing partner reviewer (or consulting firm) is not available. The following recommended actions may result:

i. Categorical Exclusion: The activity is not likely to have an effect on the natural or physical environment. No further environmental review is required.

ii. Negative Determination with Conditions: The activity does not have potentially significant adverse environmental, health, or safety effects, but may contribute to minor impacts that can be eliminated or adequately minimized by appropriate mitigation measures. EMMPs shall be developed, approved by the MEO prior to beginning the activity, incorporated into workplans, and then implemented. The certification of impacts and ROC for the EMMPS that result shall be incorporated into the PEA.

iii. Positive Determination: The activity has potentially significant adverse environmental effects and requires further analysis of alternatives, solicitation of stakeholder input, and incorporation of environmental considerations into activity design. A Scoping Statement (SS) must be prepared and be submitted to the BEO for approval. Following BEO approval a PEA or EA will be conducted. The activity may not be implemented until the BEO clears the final PEA or EA.

iv. Activity Cancellation: The activity poses significant and unmitigable adverse environmental effects. Adequate EMMPs cannot be developed to eliminate these effects and alternatives are not feasible. The project is not recommended for funding.

4.3.2. Reporting requirements below shall be followed once the project activity is approved through to completion and for the duration specified in the ERC or EMMP.

For the activities with a Positive Determination (Activity 1.6, and potentially Activity 1.7), the IP shall comply with the following the environmental compliance procedures:

4.3.3. An SS for all project components that are not subject to categorical exclusion or negative determination with conditions per this IEE shall be prepared per 22 CFR 216.3(4) and approved by the BEO. The scoping process shall be initiated at project inception and encompass stakeholder analysis, project needs assessment, and community stakeholder engagement. It shall identify environmental impacts to be considered by sector or type of activity to be considered in the environmental assessment and eliminate from further consideration impacts that will not be evaluated.

4.3.4. During the environmental scoping process, activities to be undertaken through this project that are found to have no adverse effects on the environment and which are not linked to activities that are associated with effects on the environment, may be excluded from further consideration in the PEA or EA. These activities may proceed with BEO approval of the SS.

4.3.5. An EA per 22 CFR 216.6, shall be prepared based on the SS and cleared by the BEO prior to the start of activities that have not been excluded from further review.

4.3.6. The EA shall include baseline environmental information to serve as the basis for future monitoring, an analysis of alternatives to the proposed action for each type of activity and a comparison of environmental effects associated with each alternatives. The baseline environmental information shall include requirements of national and local laws and local permitting requirements for the activities.

4.3.7. If during the SS, PEA, or EA process, some activities are found to have minimal environmental impacts, which are easily mitigated, these, with the approval of the BEO, can be addressed by an abbreviated environmental impact assessment and associated environmental mitigation and monitoring plans (EMMP). These EMMPs shall be subject to BEO approval and this IEE shall be amended to add new EMMP requirements.

4.3.8. EMMPs based on the findings of the SS, PEA, or EA process shall be developed to address potential environmental impacts.

4.3.9. The implementers shall be responsible for ensuring site-specific activities are implemented consistent with EMMPs. After the implementer has finalized its activities at a specific site, a signed Record of Compliance with the EMMP (see ERC Annex 1) shall be submitted to the COR/AOR certifying that the organization met all applicable EMMP conditions, a copy shall be provided to the MEO and BEO.

4.4 USAID Monitoring and Reporting

4.4.1 The AOR/COR, with the support of the MEO, is responsible for monitoring compliance of activities by means of desktop reviews and site visits.

4.4.2 If at any time the project is found to be out of compliance with the IEE, the AOR/COR or MEO shall immediately notify the BEO.

4.4.3 A summary report of Mission's compliance relative to this IEE shall be sent to the BEO on an annual basis, normally in connection with preparation of the Mission's annual environmental compliance report required under ADS 203.3.8.5 and 204.3.3.

4.4.4 The BEO or his/her designated representative may conduct site visits or request additional information for compliance monitoring purposes to ensure compliance with this IEE, as necessary.

4.5 Implementing Partner (IP) Monitoring and reporting

4.4.1 If an individual activity is found to pose significant adverse environmental effects that have not been identified and addressed in approved EMMPs then, new EMMPs shall be developed to include environmental safeguards for such effects, and subsequently approved by the MEO.

4.4.2 IPs shall report on environmental compliance requirements as part of their routine project reporting to USAID.

5. Mandatory Inclusion of Requirements in Solicitations, Awards, Budgets and Workplans

5.1 Appropriate environmental compliance language, including limitations defined in Section 6, shall be incorporated into solicitations and awards for this activity and projects budgets shall provide for adequate funding and human resources to comply with requirements of this IEE.
5.2 Solicitations shall include Statements of Work with task(s) for meeting environmental compliance requirements and appropriate evaluation criteria.
5.3 Environmental mitigation and monitoring requirements, when available, shall also be included in solicitations and awards.
5.4 The IP shall incorporate conditions set forth in this IEE into their annual work plans.
5.5 The IP shall ensure annual work plans do not prescribe activities that are defined as limitations, as defined in Section 6.
5.6 The USAID Mission will include an indicator for environmental compliance as part of the project's performance monitoring plan.

6. Limitations of the IEE: This IEE does not cover activities (and therefore should changes in scope implicate any of the issues/activities listed below, a BEO-approved amendment shall be required), that:

6.1 Normally have a significant effect on the environment under §216.2(d)(1) [See http://www.usaid.gov/our_work/environment/compliance/regulations.html]
6.2 Support project preparation, project feasibility studies, engineering design for activities listed in §216.2(d)(1);
6.3 Affect endangered species;
6.4 Result in wetland or biodiversity degradation or loss;
6.5 Support extractive industries (e.g. mining and quarrying);
6.6 Promote timber harvesting;
6.7 Provide support for regulatory permitting;
6.8 Result in privatization of industrial or infrastructure facilities;
6.9 Lead to new construction of buildings or other structures;
6.10 Assist the procurement (including payment in kind, donations, guarantees of credit) or use (including handling, transport, fuel for transport, storage, mixing, loading, application, cleanup of spray equipment, and disposal) of pesticides or activities involving procurement, transport, use, storage, or disposal of toxic materials and /or pesticides (cover all insecticides, fungicides, rodenticides, etc. covered under the Federal Insecticide, Fungicide, and Rodenticide Act); and
6.11 Procure or use genetically modified organisms.

7. Revisions

Under §216.3(a)(9), if new information becomes available that indicates that activities covered by the IEE might be considered major and their effect significant, or if additional activities are proposed that might be considered major and their adverse effect significant, this environmental threshold decision will be reviewed and, if necessary, revised by the Mission with concurrence by the BEO. It is the responsibility of the USAID COR/AOR to keep the MEO and BEO informed of any new information or changes in the activity that might require revision of this IEE.

8. Recommended Environmental Threshold Decision Clearances:

Approval: ______________________ 11/26/12
Stephen Haykin, Mission Director — Date

Clearance: ______________________ 11/21/12
Jill Kelley, Acting Mission Environmental Officer — Date

Clearance: ______________________ 11/21/12
Nicholas Okreshidze, Activity Manager/COR/AOR — Date

Concurrence: ______________________ 11/28/2012
William Gibson — Date
E&E Bureau Environmental Officer (acting)

Distribution:
IEE File
MEO (to also provide a copy to AOR/COR)

FROM THE AMERICAN PEOPLE

Annex 1

ENVIRONMENTAL REVIEW CHECKLIST FOR IDENTIFYING POTENTIAL ENVIRONMENTAL IMPACTS OF PROJECT ACTIVITIES AND PROCESSES

for [Activity Name]

Implemented under: [*Project Name*]

DCN: [*of Parent IEE*]

Prepared by: [*Implementer*]

ENVIRONMENTAL REVIEW CHECKLIST FOR IDENTIFYING POTENTIAL ENVIRONMENTAL IMPACTS OF PROJECT ACTIVITIES AND PROCESSES

The Environmental Review Checklist for Identifying Potential Environmental Impacts of Project Activities and Processes (ERC) is intended for use mainly by implementing partners to: assess activity-specific baseline conditions, including applicable environmental requirements; identify potential adverse environmental effects associated with planned activity(s) and processes; and develop environmental mitigation and monitoring plans (EMMPs) that can effectively avoid or adequately minimize the identified effects. This ERC can also be substituted for other ERC versions that may have been attached to project initial environmental examinations (IEE). If implementing partners are in doubt about whether a planned activity requires preparation of an ERC, they should contact their Contracting Officer's Representative (COR)/Agreement Officer's Representative (AOR) for clarification. *(When preparing the checklist, please indicate "not applicable" for items that have no bearing on the activity.)*

A. Activity and Site Information

Project Name: ***(as stated in the triggering IEE)***	
Mission/Country:	
DCN of Triggering IEE:	
Activity/Site Name:	
Type of Activity:	
Name of Reviewer and Summary of Professional Qualifications:	
Date of Review:	

B. Activity Description

1. Activity purpose and need
2. Location of activity
3. Beneficiaries, e.g., size of community, number of school children, etc.
4. Number of employees and annual revenue, if this is a business
5. Implementation timeframe and schedule
6. Detailed description of activity and site, e.g., size of the facility or hectares of land; steps that will be taken to accomplish the activity
7. Existing or planned certifications, e.g., ISO 14001 EMS, ISO 9000, HCCP, SA 8000, Global Gap, Environmental Product Declarations, Eco Flower, EcoLogo, Cradle to Cradle, UL Environment, GREENGUARD, Fair Trade, Green Seal, LEED, or various Forest Certifications
8. Site map, e.g., provide an image from Google Earth of the location
9. Photos of site *(when available)*

C. Activity-Specific Baseline Environmental Conditions

1. Population characteristics
2. Geography
3. Natural resources, e.g., nearby forest/protected areas, ground and surface water resources
4. Current land use
5. Proximity to public facilities, e.g. schools, hospitals, etc.
6. Other relevant description of current environmental conditions in proximity to the activity

D. Legal, Regulatory, and Permitting Requirements

1. National environmental impact assessment requirements for this activity

2. Applicable National or local permits for this activity, responsible party, and schedule for obtaining them:

Permit Type	Responsible party	Schedule
Zoning		
Building/Construction		
Source Material Extraction		
Waste Disposal		
Wastewater		
Storm Water Management		
Air Quality		
Water Use		
Historical or Cultural Preservation		
Wetlands or Water bodies		
Threatened or Endangered Species		
Other		

3. Additional National, European Union, or other international environmental laws, conventions, standards with which the activity might be required to comply
   a. Air emission standards
   b. Water discharge standards
   c. Solid waste disposal or storage regulations
   d. Hazardous waste storage and disposal
   e. Historical or cultural preservation
   f. Other

E. Engineering Safety and Integrity *(for Sections E. and F., provide a discussion for any of the listed issues that are likely to have bearing on this activity)*

1. Will the activity be required to adhere to formal engineering designs/plans? Have these been or will they be developed by a qualified engineer?
2. Do designs/plans effectively and comprehensively address:
   a. Management of storm water runoff and its effects?
   b. Reuse, recycling, and disposal of construction debris and by-products?
   c. Energy efficiency and/or preference for renewable energy sources?
   d. Pollution prevention and cleaner production measures?
   e. Maximum reliance on green building or green land-use approaches?
   f. Emergency response planning?
   g. Mitigation or avoidance of occupational safety and health hazards?
   h. Environmental management of mobilization and de-mobilization?
   i. Capacity of the host country recipient organization to sustain the environmental management aspects of the activity after closure and handover?
3. Are there known geological hazards, e.g., faults, landslides, or unstable soil structure, which could affect the activity? If so, how will the project ensure structural integrity?
4. Will the site require grading, trenching, or excavation? Will the activity generate borrow pits? If so, how will these be managed during implementation and closure?
5. Will the activity cause interference with the current drainage systems or conditions? Will it increase the risk of flooding?
6. Will the activity interfere with above- or below-ground utility transmission lines, e.g., communications, water, sewer, or natural gas?
7. Will the activity potentially interfere with vehicle or pedestrian traffic?
8. Does the activity increase the risk of fire, explosion, or hazardous chemical releases?

9. Does the activity require disposal or retrofitting of polychlorinated biphenyl-containing equipment, e.g., transformers or florescent light ballasts?

F. Environment, Health, and Safety Consequences

1. Potential impacts to public health and well-being

a. Will the activity require temporary or permanent property land taking?
b. Will activities require temporary or permanent human resettlement?
c. Will area residents and/or workers be exposed to pesticides, fertilizer, or other toxic substances, e.g., as a result of farming or manufacturing? If so, how will the project:
   i. Ensure that these chemicals do not contaminate ground or surface water?
   ii. Ensure that workers use protective clothing and equipment to prevent exposure?
   iii. Control releases of these substances to air, water, and land?
   iv. Restrict access to the site to reduce the potential for human exposure?
d. Will the activity generate pesticide, chemical, or industrial wastes? Could these wastes potentially contaminate soil, groundwater or surface water?
e. Will chemical containers be stored at the site?
f. Does the activity remove asbestos-containing materials or use of building materials that may contain asbestos, formaldehyde, or other toxic materials? Can the project certify that building materials are non-toxic? If so, how will these wastes be disposed of?
g. Will the activity generate other solid or hazardous wastes such as construction debris, dry or wet cell batteries, florescent tubes, aerosol cans, paint, solvents, etc.? If so, how will this waste be disposed of?
h. Will the activity generate nontoxic, nonhazardous solid wastes (subsequently requiring land resources for disposal)?
i. Will the activity pose the need to handle and dispose of medical wastes? If so, describe measures of ensuring occupational and public health and safety, both onsite and offsite.
j. Does the activity provide a new source of drinking water for a community? If so, how will the project monitor water quality in accordance with health standards?
k. Will the activity potentially disturb soil contaminated with toxic or hazardous materials?
l. Will activities, e.g., construction, refurbishment, demolition, or blasting, result in increased noise or light pollution, which could adversely affect the natural or human environment?

2. Atmospheric and air quality impacts

a. Will the activity result in increased emission of air pollutants from a vent or as fugitive releases, e.g., soot, sulfur dioxide, oxides of nitrogen, volatile organic compounds, methane.
b. Will the activity involve burning of wood or biomass?
c. Will the activity install, operate, maintain, or decommission systems containing ozone depleting substances, e.g., freon or other refrigerants?
d. Will the activity generate an increase in carbon emissions?
e. Will the activity increase odor and/or noise?

3. Water quality changes and impacts

a. How far is the site located from the nearest river, stream, or lake?
b. Will the activity disturb wetland, lacustrine, or riparian areas?
c. What is the depth to groundwater at the site?
d. Will the activity result in increased ground or surface water extraction? If so, what are the volumes? Permit requirements?
e. Will the activity discharge domestic or industrial sewage to surface, ground water, or publicly-owned treatment facility?
f. Does the activity result in increased volumes of storm water run-off and/or is there potential for discharges of potentially contaminated (including suspended solids) storm water?

g. Will the activity result in the runoff of pesticides, fertilizers, or toxic chemicals into surface water or groundwater?
h. Will the activity result in discharge of livestock wastes such as manure or blood into surface water?
i. Does the site require excavation, placing of fill, or substrate removal (e.g., gravel) from a river, stream or lake?

4. Land use changes and impacts

a. Will the activity convert fallow land to agricultural land?
b. Will the activity convert forest land to agricultural land?
c. Will the activity convert agricultural land to commercial, industrial, or residential uses?
d. Will the activity require onsite storage of liquid fuels or hazardous materials in bulk quantities?
e. Will the activity result in natural resource extraction, e.g., granite, limestone, coal, lignite, oil, or gas?
f. Will the activity alter the viewshed of area residents or others?

5. Impacts to forestry, biodiversity, protected areas and endangered species

a. Is the site located adjacent to a protected area, national park, nature preserve, or wildlife refuge?
b. Is the site located in or near threatened or endangered (T&E) species habitat? Is there a plan for identifying T&E species during activity implementation? If T&E species are identified during implementation, is there a formal process for halting work, avoiding impacts, and notifying authorities?
c. Is the site located in a migratory bird flight or other animal migratory pathway?
d. Will the activity involve harvesting of non-timber forest products, e.g., mushrooms, medicinal and aromatic plants (MAPs), herbs, or woody debris?
e. Will the activity involve tree removal or logging? If so, please describe.

6. Historic or cultural resources

a. Are there cultural or historic sites located at or near the site? If so, what is the distance from these? What is the plan for avoiding disturbance or notifying authorities?
b. Are there unique ethnic or traditional cultures or values present in the site? If so, what is the applicable preservation plan?

G. Further Analysis of Recommended Actions *(if the applicable IEE requires the use of ERCs to perform further analysis of recommended actions, then check the appropriate box below. If this analysis is not required, then skip this and proceed with Section H. If required by the IEE, the ERC shall be copied to the Bureau Environmental Officer (BEO)).*

☐ **1. Categorical Exclusion:** The activity is not likely to have an effect on the natural or physical environment. No further environmental review is required.*

☐ **2. Negative Determination with Conditions:** The activity does not have potentially significant adverse environmental, health, or safety effects, but may contribute to minor impacts that can be eliminated or adequately minimized by appropriate mitigation measures. EMMPs shall be developed, approved by the Mission Environmental Officer (MEO) (and the BEO if required by the IEE) prior to beginning the activity, incorporated into workplans, and then implemented. See Sections H and I below.*

☐ **3. Positive Determination:** The activity has potentially significant adverse environmental effects and requires further analysis of alternatives, solicitation of stakeholder input, and incorporation of environmental considerations into activity design. A Scoping Statement must be prepared and be submitted to the BEO for approval. Following BEO approval an Environmental Assessment (EA) will be conducted. The activity may not be implemented until the BEO clears the final EA. For activities related to the procurement, use, or training related to pesticides, a PERUSAP will be prepared for BEO approval.

☐ **4. Activity Cancellation:** The activity poses significant and unmitigable adverse environmental effects. Adequate EMMPs cannot be developed to eliminate these effects and alternatives are not feasible. The project is not recommended for funding.

Note regarding applicability related to Pesticides (**216.2(e): The exemptions of §216.2(b)(l) and the categorical exclusions of §216.2(c)(2) ***such as technical assistance, education, and training are not applicable to assistance for the procurement or use of pesticides.

H. EMMPs *(Using the format provided below, or its equivalent, list the processes that comprise the activity, then for each, identify impacts requiring further consideration, and for each impact describe the mitigation and monitoring measures that will be implemented to avoid or adequately minimize the impacts. All environment, health, and safety impacts requiring further consideration, which were identified in Section F., should be addressed)*

1. Activity-specific environmental mitigation plan (Upon request, the MEO may be able to provide your project with example EMMPs that are specific to your activity.)

Processes	Identified Environmental Impacts	Do the Impacts Require Further Consideration?	Mitigation Measures	Monitoring Indicators
List all the processes that comprise the activity(s)(e.g. asbestos roof removal, installation of toilets, remove and replace flooring) A line should be included for each process.	*A single process may have several potential impacts—provide a separate line for each.*	*For each impact, indícate **Yes** or **No**; if **No**, provide justification, e.g.,: (1) There are no applicable legal requirements including permits or reporting and (2) There is no relevant community concern and (3) Pollution prevention is not feasible or practical and (4) Does not pose a risk because of low severity, frequency, or duration*	*For each impact requiring further consideration, describe the mitigation measures that will avoid or adequately minimize the impact. (If mitigation measures are well-specified in the IEE, quote directly from IEE.)*	*Specify indicators to (1) determine if mitigation is in place and (2) successful.* *For example, visual inspections for seepage around pit latrine; sedimentation at stream crossings, etc.)*

2. Activity-specific monitoring plan

Monitoring Indicators	Monitoring and Reporting Frequency	Responsible Parties	Records Generated
Specify indicators to (1) determine if mitigation is in place and (2) successful (for example, visual inspections for seepage around pit latrine; sedimentation at stream crossings, etc.)	*For example: "Monitor weekly, and report in quarterly reports. If XXX occurs, immediately inform USAID COR/AOR."*	*Separate parties responsible for mitigation from those responsible for reporting, whenever appropriate,*	*If appropriate, describe types of records generated by the mitigation, monitoring, and reporting process.*

I. Certification of No Adverse or Significant Effects on the Environment

I, the undersigned, certify that activity-specific baseline conditions and applicable environmental requirements have been properly assessed; environment, health, and safety impacts requiring further consideration have been comprehensively identified; and that adverse impacts will be effectively avoided or sufficiently minimized by proper implementation of the EMMP(s) in Section G. If new impacts requiring further consideration are identified or new mitigation measures are needed, I will be responsible for notifying the USAID COR/AOR, as soon as practicable. Upon completion of activities, I will submit a ***Record of Compliance with Activity-Specific EMMPs*** using the format provided in ERC Annex 1 or its equivalent.

______________________________ ______________________

Implementer Project Director/COP *Name* Date

J. Approvals:

______________________________ ______________________

USAID COR/AOR *Name* Date

______________________________ ______________________

Mission Environmental Officer *Name* Date

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ERC ANNEX 1
RECORD OF COMPLIANCE WITH ACTIVITY-SPECIFIC ENVIRONMENTAL MITIGATION AND MONITORING PLANS (EMMPs)

Subject:	*Site or Activity Name/Primary Project Name/IEE DCN Number*
To:	*COR/AOR/Activity Manager Name*
Copy:	*Mission Environmental Officer Name*
Date:	

The [*name of the implementing organization*] has finalized its activities at the [*site name*] to [*describe activities and processes that were undertaken*]. This memorandum is to certify that our organization has met all conditions of the EMMPs for this activity. A summary of the how mitigation and monitoring requirements were met is provided below.

1. Mobilization and Site Preparation

2. Activity Implementation Phase

3. Site Closure Phase

4. Activity Handover

Sincerely,

______________________________ ____________________
Implementer Project Director/COP *Name* Date

Approved:

______________________________ ____________________
USAID/COR/AOR/Activity Manager *Name* Date

______________________________ ____________________
Mission Environmental Officer *Name* Date

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