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PILOT PROJECT SELECTION PROCEDURE

THE USAID SECURING GEORGIA'S ENERGY FUTURE PROGRAM

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PILOT PROJECT SELECTION

The USAID Securing Georgia’s Energy Future Program will implement 30 Pilot Projects that are related to energy efficiency (EE), demand-side management (DSM), energy management systems (EMS), and diversified, sustainable renewable energy (RE). The Program will provide a material and/or advisory contribution to each Pilot Project, depending on specific needs. These contributions may take various forms, including in-kind support, technical advisory services, or material contributions. The Program does not include grant components, which implies that cash contributions will not be provided by the Program. These contributions can play a crucial role in advancing the Program's efforts to promote RE and EE in the private sector by providing much-needed expertise, resources, and other forms of support. Pilot Projects may involve micro-sized projects, small- and medium-sized wind, solar and hydropower technologies, or biomass-sourced energy. Further, contributions to project implementation may include the use of innovative financing approaches and/or business model designs.

The Program will incorporate the perspectives of and address the constraints identified by women and marginalized populations with distinct energy priorities and needs.

When assessing proposals, the Program will allocate additional points to Pilot Projects in diverse geographical locations of the country and to projects that strongly promote women and minority participation. The Program will consider innovative technologies, novel strategies, and original business models to facilitate the implementation of RE and EE projects in a variety of sectors.

By adopting a systematic methodology, the Program will ensure that only projects that meet the criteria are selected and implemented, thereby maximizing the impact of the Program’s efforts to promote clean energy technologies in Georgia. Technologies must be fully de-risked and guaranteed by a company with sufficient capability to support equipment warranties. The Program will not assume any technology risk.

Table 1: Category of Illustrative Technologies and Business Sectors Suitable for Pilot Projects

Solar	Wind	Hydro
Solar streetlights in novel applications	Distributed wind	Micro hydropower plant (HPP) with net metering
Solar water pumping	Building integrated wind	Micro hydro pump storage
Solar field cooling	Wind agricultural pumping	Hydro pump storage
Solar green house		
Solar cold storage		
Solar virtual net metering		
Net zero hotel / restaurants / agritourism		
RE educational laboratory		
EE	DSM	EMS
Efficient heating, ventilating and air conditioning system	Smart metering	Automatic load management technics
Shared saving financing	Peak shaving	Automatic generator control for industry
Heat pumps	Micro Grid	Advanced supervisory control and data acquisition systems for industry
LED lights	Energy Communities	Smart home
EE for industrial processes	Destination charging	Smart factory
	Vehicle to Grid	Smart agriculture

PILOT PROJECT EVALUATION

When evaluating responses to a CFA, the Program will assess each potential Pilot Project against numerous criteria, including:

- Relevance to USAID development Objectives – USAID strategic Partners should address strengthening resilience to Malign Influence
- Replicability by private sector entities – It is intended that each Pilot Project should be easily reproduced by other similar private sector businesses
- Innovative approaches/technologies – Innovative approaches may be applied related to technologies, business models, and financing schemes

- Amounts of contribution – While the minimum amount of private sector contribution is 50 %, additional weight will be given to Pilot Project proponents that are willing to contribute greater amounts
- Scalability – It is highly preferable that the Pilot Project should be scalable - from SME to large-scale businesses
- Variety of Technologies – It is preferred that the technology on which the Pilot Project is based should be distinctive or unique, bringing new processes or approaches to Georgia’s growing RE market
- Geographic Dispersion – Pilot Projects should be geographically dispersed. The Program will take into consideration the geographical footprint of the 30 Pilot Projects and seek to equally distribute Pilot Projects across all of Georgia’s regions
- Climate friendly – Pilot Projects should have a positive and demonstrable impact on climate change, through the reduction or avoidance of greenhouse gas (GHG) emissions
- Number of people benefited – Pilot Projects, wherever located, should improve the lives of a significant number of people — not merely a select few. Pilot Projects should benefit ethnic, national, religious, disabled, and other minorities in equal measure.
- Women engagement – The Pilot Projects should, in every circumstance, encourage the engagement of, and ensure that project benefits are allocated equally to women
- Implementation timeframe – The time allocated to Pilot Projects for implementation must be limited to ensure the completion of all 30 Pilot Projects by the end of the Program’s term
- Project accessibility – Each Pilot Project should be reasonably accessible by vehicle
- Quick start – Preference will be given to Pilot Projects that can begin immediately and be completed within 4 months.

The Pilot Project Evaluation Process will be guided by an evenly applied scoring methodology. Some criteria are decisive and must be directly met; other indicators will be assigned certain scores.

Table 2: Criteria Setting and Distribution of Scores

Eligibility Criteria		
RE/EE/DSM/EMS	Yes	Continue evaluation
	No	Fail
Implementation timeframe less than 2 years	Yes	Continue evaluation
	No	Fail
Private sector contribution (at least 50%)	Yes	Continue evaluation
	No	Fail
Potential for replicability	Yes	Continue evaluation
	No	Fail
Climate friendly	Yes	Continue evaluation
	No	Fail
Accessibility	Yes	Continue evaluation
	No	Fail
Selection Criteria with Scores		
Innovative solutions / technologies	Yes	1
	No	0
Scalability	Yes	1
	No	0
Project implementation months	0- 4	4
	5 - 10	3
	11-16	2
	17-22	1
Amount of private sector material contribution	More than 80%	4
	71-80%	3
	61 -70%	2
	50%-60%	1
Additional Scores		
Benefits to minorities	1	
Women engagement	1	
Geographical distribution	1	

SELECTION

The Program will convene a Selection Committee comprised of the Program's relevant staff who will make the final selection. The Selection Process will take 5 to 10 working days.

CFA responses with the highest scores will be selected and submitted to USAID for approval.

The Program will periodically re-announce CFAs until it reaches the target of implementing 30 Pilot projects during the Program's term (May 2026).

The CFA will be open for 15 working days, including the date of the announcement.

APPROVAL

The Program will submit the selected projects to USAID for final approval.

MITIGATION AND MONITORING PLAN

Prior to signing a cooperation agreement and actual project implementation, the Program will develop Pilot Project's Environmental Mitigation and Monitoring Plan (EMMP), which will be submitted to USAID for approval. The development and approval of the EMMP are expected to take no more than 15 working days.

Project Implementation by the cooperation agreement will not begin until USAID has issued its formal approval of the EMMP. The Pilot Project applicant will guide its Project implementation activities in compliance with the requirements of the EMMP.

RISK ASSESSMENT

The Program will ask selected private entities to complete Reputational Risk Assessment Template ([annex](#)) prior to signing the Cooperation Agreement.

SIGNING A COOPERATION AGREEMENT (THE AGREEMENT)

The Program will sign a formal, legally binding Agreement with the selected Pilot Project entities. The Agreement will define the responsibilities of the parties and the terms and conditions of Pilot Project Implementation

The Program's support to Pilot Projects will be limited to technical advice and/or material support. The Program is not authorized to provide cash directly to any awarded entity. For that reason, the Program will be involved in the Pilot Project implementation process, including the preparation of a detailed project design and procurement of goods and/or services.

Agreement negotiations and signature time is limited to 5 working days, after final approval on the award by USAID.

IMPLEMENTATION

The Program, in close cooperation with the awarded entity, will develop a detailed Project Design and an accompanying Implementation Plan.

The Program's material contribution will be reflected in the provision of equipment and devices. The Program anticipates that equipment procurement and delivery will take 2 to 4 months, depending upon the availability of equipment in the local market.

PROJECT MONITORING AND COMPLETION

The Program will oversee and monitor the Pilot Projects to ensure quality compliance and progress against defined milestones and the EMMP requirements.

The engaged parties may organize a special event with media engagement to announce the successful completion of a Pilot Project. Such public events with media involvement will contribute to increased visibility of pilot projects and achieved results, while also highlighting the prospect of project replicability and up-scaling.

RESULT EVALUATION

The Program will evaluate the results of each completed Pilot Project to identify and build upon the lessons learned. The Program will also ensure that all EMMP requirements have been duly met.

THE PROJECT LAUNCH EVENT

The Program and the awarded entity will collaborate with USAID to organize a prominent Project Launch, which will include the participation of USAID mission, the US Embassy, central and local municipality officials, private sector representatives, and applicants. Preferably, this event is to be concluded within 10 – 40 working days upon the completion of the project.

SHARING EXPERIENCE

The benefited private sector will be required to make the key success factors of the RE/EE/DSM/EMS pilot projects publicly available and share case studies with other parties interested in similar projects.

ANNEX I: RISK ASSESSMENT TEMPLATE

1. Corporate Image	
Has there been anything in the media that would reflect negatively upon the entity? If so, how has the entity dealt with significant negative publicity?	
Are there any pending lawsuits or prominent prior lawsuits (including, but not limited to sexual harassment) against the entity?	
Is the entity looking solely for PR opportunities by aligning itself with USAID?	
Is the entity only or primarily looking for procurement opportunities or money from USAID?	
Is the entity willing to engage with USAID in a transparent manner without expecting an exclusive relationship (i.e., seeking to exclude competitors)?	
Is the entity willing to accept limitations on publicity of the alliance (i.e., on corporate PR releases, press and media coverage) to ensure that USAID is not perceived as endorsing the entity or its products or services?	
2. Social Responsibility	
Is the entity primarily involved in tobacco or the manufacture or sale of firearms, i.e., involvement in these activities constitutes a significant share of an entity's total portfolio?	
Does the entity have a good reputation (no serious red flag issue areas), especially in areas of corporate social responsibility (CSR)?	
Does the entity have a health and safety action plan for workers, including the reporting of gender-based violence and sexual harassment, the handling of hazardous materials and the prevention of environmental accidents?	
Does the entity have labor standards? If so, does the entity apply this across its supply chains and distribution channels? What types of sick, vacation, and parental leave policies does the entity offer?	
3. Environmental Accountability	
Does the entity collect and evaluate adequate and timely information regarding the environmental, health, and safety impacts of their activities?	
4. Policy Compatibility	
Is the entity a state-owned enterprise? Are any of the entity's significant shareholders a state-owned enterprise? Is the entity investing in state-owned enterprises or entities whose significant shareholders are state-owned enterprises? (If yes, please contact the GDA APS Activity Manager for further guidance).	
Is the entity included in the Specially Designated Nationals (SDN) List administered by Department of Treasury's Office of Foreign Assets Control (OFAC) (Executive Order 13224): http://www.ustreas.gov/offices/enforcement/ofac/sdn/ ?	
Is the entity included in Foreign Terrorist Organization List (FTO): http://www.state.gov/j/ct/rls/other/des/123085.htm ?	
Is the entity included in Terrorist Exclusion List (TEL): http://www.state.gov/j/ct/rls/other/des/123086.htm ?	
Is the entity included in Terrorism Designation Page: http://www.state.gov/j/ct/rls/other/des/index.htm ?	
Is the entity included in United Nations Consolidated List (Resolution 1267): https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list	
5. Financial Soundness	
Does the entity appear to have the resources needed to fulfill its commitment in a non-binding agreement to support the agreed alliance activities?	
Is the entity publicly traded and does it issue annual reports with audited financials?	
Does the entity have a long track record (how many years has it been in business)?	
6. Investment and Lending Policies (as applicable)	
Have the entity's investment or lending policies, practices, or portfolios received attention in the media? Was the attention positive or negative? If negative, how did the entity handle the publicity?	
Does the entity implement any know your customer (KYC) standards or practices?	
Given the entity's investment or lending policies, practices and portfolios, would collaboration with the entity or any of its investees or borrowers raise questions whether USAID is acting inconsistently with USAID or US government policy? (Policy Compatibility above)	