

**INITIAL ENVIRONMENTAL EXAMINATION
&
REQUEST FOR CATEGORICAL EXCLUSION**

PROGRAM/ACTIVITY DATA:

Program/ Number: ECONOMIC GROWTH

Country: The Democratic Republic of Congo (DRC)

Functional Objective: 4 Economic Growth

Program Area: 4.4	Infrastructure
Program Element:	4.4.1 Modern Energy Services
	4.4.3 Transport Services
Program Areas: 4.5	Agriculture
Program Element:	4.5.1 Agricultural Enabling Environment
	4.5.2 Agricultural Sector Capacity
Program Areas: 4.7	Economic Opportunity
Program Element:	4.7.1 Inclusive Financial Markets
	4.7.3 Strengthen Micro-enterprise Productivity
Program Areas: 4.8	Environment
Program Element:	4.8.1 Natural Resources and Biodiversity
Program Element:	4.8.2 Clean Productive Environment

Funding period for EG: FY10- FY15

LOP Amount: \$

IEE Prepared By: Joseph Hirsch; EG/Team Leader and Mission Environmental Officer, Nicodème Tchamou, USAID/DRC Mission Deputy Environmental Officer and Christopher Dege, USAID/EA Regional Environmental Advisor

Current Date: May 23, 2010 **IEE Amendment:** No

ENVIRONMENTAL ACTION RECOMMENDED:

Categorical Exclusion: X Negative Determination: X
Positive Determination: Deferral:

SUMMARY OF FINDINGS

The purpose of this Initial Environmental Examination (IEE) is to provide threshold determinations for the activities of USAID/DRC's Economic Growth Office. All bi-lateral Economic Growth activities funded through the USAID/DRC/Economic Growth Office are covered by this IEE, except FFP MYAP activities, which are addressed in a separate Mission IEE. Activities funded by USAID/DRC, but which are managed from USAID/W, are also covered by this IEE, as are activities that receive funding from USAID/W, but which are managed at the Mission.

Environmental compliance determinations and conditions covered by USAID/W Bureau IEEs address some of the activities described in this IEE and activity managers may consult with AOTRs of these centrally managed and funded mechanisms to ensure that all activities comply with both the Economic Growth Agriculture and Trade Office (EGAT) IEE, and with the conditions set forth in this IEE.

However, activity managers are not responsible for ensuring environmental compliance with provisions and conditions of the IEEs of other Bureaus.

This IEE is a consolidation of all the previous threshold determinations for all of the activities managed and funded by the EG Office in the DRC and this IEE replaces the previous IEE for Economic Growth: 193-3XDRC09

USAID's current and planned Economic Growth (EG) Portfolio includes the following 11 projects:

1) The DRC Food Production Processing and Marketing (FPPM) Project will serve the Kinshasa Market shed (FPPM) and is expected to be implemented from FY2010 through FY 2014 with life-of-project funding of \$35 million. The purpose of the award is to achieve broad-based agricultural growth. The overall goal of the award is to increase food security and reduce poverty. The FPPM Project Contractor will implement a program of activities oriented around three components: 1) Increased Agricultural Productivity, 2) Improved Market Efficiency, and 3) Developed Capacity to Respond to Market opportunities. A complete EMMP will be developed with the work plan, to be submitted in draft within 30 days after signature of the contract, and to be cleared and agreed to within 90 days of award, in conjunction with the full PMP. This IEE covers the following anticipated activities, believed to be complete for the FPPM award. If new activities are identified, not covered here, they will nevertheless be discussed in an annexed EMMP, within 90 days of award. An award is anticipated to be made in August, 2010.

2) The Emergency Response to the Outbreak of Cassava Mosaic Disease (CMD) in DRC – Phase III (Cassava III): The objective is to multiply and put into production as much CMD-resistant cassava and improved technology (clean-cutting of cultivars) as possible among as many farmers as possible throughout the DRC. This program is the continuation of 14 years of programming in DRC to support cassava productivity and disease resistance.

3) Three Livelihoods Approach to Conservation programs that (LAC) support agricultural livelihoods and alternative livelihoods development in three areas adjacent to important Protected Areas, already supported by the Central Africa Regional Program for the Environment (CARPE). Those three areas are: Maringa-Lopori Wamba, Salonga, and Ituri. These activities reduce pressure on forest resources and biodiversity through trainings, capacity building, provision of tools, improved seeds and fertilizer, policy support, advocacy and outreach through media.

4) The Agricultural Policy Support Activity for the Government of the Democratic Republic of Congo (GDRC) supports the GDRC in seven critical capacity building and research themes 1) A stocktaking of existing datasets and literature on agricultural development in the DRC, 2) Institutional capacity building in DRC's agricultural sector, 3) Support to the CAADP processes in the DRC, 4) Modeling land use choices affecting DRC's rainforests and agricultural cropland, 5) Institutional barriers to trade, 6) A gender assessment of the agricultural sector, and 7) Improving Undernutrition: the roles of gender, health and agriculture.

5) The Microfinance for Farmers and Wholesalers in Equateur Province Project promotes trade linkages between Equateur and the Kinshasa Market Shed in order to increase cash income for farmers' families. This will result in an increased demand of locally-produced crop commodities that will be collected, stored and transported.

6) The Energy Sector Reform Project is intended to help design and implement a governance structure for the National Electrification and Regulatory Agencies for the DRC Ministry of Energy in order to

establish a new energy sector policy for the DRC. The project will support operational structures and procedures to establish the rights and responsibilities of stakeholders in the energy sector.

7) **The Katanga Development Credit Authority Activities** providing loan guarantees for alternative livelihoods development in the Katanga Province of the DRC

8) **The Agri-business Expansion Development Credit Authority** is a new DCA which will provide agri-business lending throughout the country, but with particular focus on Complementarity to the FMMP activity.

(9) **The Economic Opportunity and Anti-Corruption Activity**, which will be launched in FY 2011 and which will increase market efficiency in Bas Congo, Bandundu and Kinshasa, through improved market information and advocacy to limit informal and illegal taxation, and corruption along trade routes.

10) **The Market Linkages Program** (Activity Management for the Regional Program), which will support processing, warehousing and transport of agricultural commodities in the east of DRC.

Categorical Exclusions from Environmental Examination is recommended for the following activities under the Economic Growth portfolio:

The FPPMP Project, for the following activities:

- 1) Agricultural extension and advisory services, production planning and community organization and mobilization
- 2) Training and capacity building at all levels of the agricultural and aquaculture production chain,
- 3) Support to research and information for the development of the market supply chain.

The Cassava III Project for the following activities:

- 1) Research, technical assistance, trainings, workshops and information transfer associated with the production, multiplication and dissemination of disease resistant and improved varieties of cassava.
- 2) Other research and capacity building activities implemented with other stakeholders, including with National Agriculture Research Centers.

The LAC Program for the following activities:

- 1) Training and capacity building, policy development and advocacy and outreach to the media.

The Agricultural Policy Support Activity for the following activities:

- 1) Research, technical assistance, trainings, seminars and workshops and associated analyses.

The Microfinance for Farmers and Wholesalers in Equateur Province Project for the following activities:

- 1) For agricultural extension and advisory services, production planning and community organization and mobilization
- 2) Training and capacity building at all levels.

The Energy Sector Reform Project for the following activities:

1) Policy support, analyses and advocacy.

The activities outlined under these Categorical Exclusions are covered by the following citations in Reg. 216, subparagraph of 22 CFR 216.2(c) (2):

- a) 22 CFR 216.2(c) (2) (i), for activities involving education, training, technical assistance or training programs;
- b) 22CFR216.2(c) (2) (ii) [controlled experimentation]
- c) 22 CFR 216.2(c) (2) (iii), for activities involving analyses, studies, academic or research workshops and meetings;
- d) 22 CFR 216.2(c) (2) (v), for activities involving document and information transfers;
- e) 22 CFR 216.2(c)(2)(viii), for programs involving nutrition, health care, or family planning services except to the extent designed to include activities directly affecting the environment (such as construction of facilities, water supply systems, waste water treatment, etc.);
- f) 22 CFR 216.2(c) (2) (xiv), for studies, projects or programs intended to develop the capability of recipient countries and organizations to engage in development planning.

A Negative Determination with Conditions is recommended per 22CFR216.3 (a) (2) (iii) for the following planned activities:

The **FPPMP Project**, for the following activities:

- 1) Improved production technology through improved seeds and planting stock and practices
- 2) Supply of planting tools
- 3) Road rehabilitation and rehabilitation of market infrastructure (storage facilities, collecting centers),
- 4) Increasing trucking and transport capacity in selected areas (providing trucks/river transport/other transport services),
- 5) Setting up micro-credit schemes for micro- and small enterprise development and facilitating access to credit
- 6) Improving the local processing of agricultural products (cassava, maize, and rice, others as proposed and agreed to in a separate EMMP).
- 7) Biophysical aspects of improved animal husbandry, aquaculture and forestry production, management and processing
- 8) Integrating agriculture adjacent to areas of important biodiversity and forested areas
- 9) Reforestation and afforestation including integrated agro-forestry and agro-ecological systems management

The Microfinance for Farmers and Wholesalers in Equateur Province Project, for the following activities:

- 1) Expansion of microfinance and or microenterprises
- 2) Construction and rehabilitation activities associated with the warehousing of goods
- 3) Providing seeds and farming tools

For the **Livelihoods Approach to Conservation Programs, (Maringa Lopori Wamba, Salonga and Ituri landscapes)** for the following activities:

- 1) Providing seeds and farming tools, and fertilizer
- 2) Integrating agriculture adjacent to areas of important biodiversity and forested areas
- 3) Integrated agro-forestry and agro-ecological systems management

The **Cassava III Project** for the following activities:

- 1) Improved production technology through improved seeds and planting stock and practices
- 2) Improving the local processing of agricultural products (cassava)

Refer to Sections III & IV and Annex 1: Recommended Determinations & Mitigation Actions by Activity for conditions, as well as Monitoring and Mitigation protocols.

Monitoring, Evaluation and Reporting

USAID/DRC Economic Growth Office will enforce monitoring and mitigation strategies as reported in Annex 1: Recommended Determinations & Mitigation Actions by Activity, to ensure compliance with 22 CFR 216 and ADS 204.3.4 in documenting that the conditions specified in the EG IEE have been met for all activities carried out under each award and completed by each organization carrying out activities under the USAID/DRC/EG contract or award. Each AOTR, COTR and Activity Manager assumes oversight responsibility, and will work proactively through implementation of the programs.

The EG team will ensure that provisions of the IEE and the conditions described are incorporated into all contracts, subcontracts, cooperative agreements, grants and sub-grants, as appropriate, following the ADS 204 Help Document, "Language for Use in Solicitations and Awards (<http://www.usaid.gov/policy/ads/200/204sac.pdf>).

APPROVAL OF ENVIRONMENTAL ACTION RECOMMENDED:

CLEARANCE:

Mission Director: _____ Date: _____
Stephen Haykin

CONCURRENCE:

Bureau Environmental Officer: _____ Date: _____
Brian Hirsch

Approved: _____

Disapproved: _____

ADDITIONAL CLEARANCES:

Economic Growth Team Leader: _____ Date: _____
Joe Hirsch

Mission Environmental Officer: _____ Date: _____
Joe Hirsch

Regional Environmental Officer: /cleared/ _____ Date: 12/05/2010 _____
USAID East & Central Africa Walter Knausenberger (USAID/EA)

PROGRAM/ACTIVITY DATA:

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This IEE will be structured as follows: Section I provides a Background and Activity Description; Section II provides Country and Environmental background; Section III provides an Evaluation of Potential Threats, Determinations, and Conditions with respect to the potential of the described activities for adverse environmental impact of the EG programs, and Section IV addresses evaluation, monitoring and mitigation (see also Annex 1).

SECTION I. BACKGROUND AND ACTIVITY DESCRIPTION

A. Purpose and Scope of IEE

All projects funded by USAID must comply with USAID’s environmental procedures (22 CFR 16) to ensure that adverse environmental impacts are mitigated and prevented. The purpose of this Initial Environmental Examination is to provide threshold determinations for the activities of the USAID/DRC Economic Growth Office.

All bi-lateral Economic Growth activities funded through the USAID/DRC/Economic Growth Office are covered by this IEE, except FFP MYAP activities, which are addressed in a separate Mission IEE. Activities funded by USAID/DRC, but which are managed from USAID/W, are also covered by this IEE, as are activities that receive funding from USAID/W, but which are managed at the Mission. Environmental compliance determinations and conditions covered by USAID/W Bureau IEEs address some of the activities described in this IEE and activity managers may consult with AOTRs and COTRs of these centrally managed and funded mechanisms to ensure that all activities comply with both the Economic Growth Agriculture and Trade Office (EGAT) IEE, and with the conditions set forth in this IEE. However, activity managers are not responsible for ensuring Environmental Compliance with provisions and conditions of the IEEs of other Bureaus.

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If additional activities are proposed under the EG Office, an Environmental Review Form will be completed by the AOTR and/or the implementing partner and submitted to the Mission Environmental Officer to ensure that the activities and conditions in this IEE will still apply. In the event that any new proposed activity differs from the type or nature of activities described here, or requires different or additional mitigation measures beyond those described in this IEE, then this IEE will be amended.

B. Overview of USAID/DRC Economic Growth Portfolio

The USAID/DRC's Economic Growth program is committed to providing "Better and Sustainable Economic Opportunities" for the people of the DRC as the central pillar of its development strategy. A Performance Management Plan was developed in May, 2010, and the activities of the Office have been elaborated in a results framework, around three pillar strategic objectives:

- Improved Food Security
- Better and Sustainable Economic Opportunity, and
- Increased Resilience of Agro-ecosystems

Over 70% of the population of the DRC is engaged in agriculture, and broad-based agricultural expansion offers the best opportunity for poverty alleviation and growth. The Economic Growth portfolio is implementing 13 activities, not including the Food for Peace Activities, described in a separate IEE. 1) The Food production, Processing and Marketing Project (FPPM); 2) The Emergency Response to the Outbreak of Cassava Mosaic Disease (Phase III); 3-5) three activities of the Livelihoods Approach to Biodiversity Conservation with CARPE (3) in the Maringa-Lopori Wamba, (4) Ituri-Epaulu, and (5) Salonga landscapes); 6) The Agricultural Policy Support Activity; 7) Microfinance for Farmers and Wholesalers in Equateur province; 8) Policy Support to the Energy Sector, 9) the Development Credit Authority Guarantee in Katanga, 10) a new Agri-business expansion Development Credit Authority Guarantee, 11) the Market Linkages Program, and the 12) Economic Opportunity and Anti-Corruption Activity.

The Office of Economic Growth receives ESF funding earmarked under the GHFSI, biodiversity, clean energy and economic opportunity. The DRC has tremendous agricultural potential and despite the fact that it is recovering from conflict, DRC is taking significant steps and making significant progress towards building institutional capacities and promoting agriculture-led development to support food security and poverty alleviation.

C. Activities under the Economic Growth Portfolio

1) The Emergency Response to Cassava Mosaic Disease in DRC is an on-going project with IITA, now in its third phase and 15th year. The project supports the development and dissemination of several cassava varieties resistant to Cassava Mosaic Disease (CMD) in different DRC environments. The implementing partner, International Institute for Tropical Agriculture (IITA), has developed 11 new cassava varieties which are adapted to high and low elevation zones. These improved varieties can increase production, on average, 40% over traditional non disease-resistant varieties. To date, an estimated 15% of the needs for improved varieties have been met, nationwide. An important lesson learned from the cassava initiative is that a package of improvements is needed if smallholders are to replace traditional varieties with new varieties of cassava. Thus, a component related to processing of new varieties is helping farmers reap additional benefits from increased production. Phase III activities focus on R&D, and IITA will perform less distribution of new cuttings, themselves. IITA is establishing

partnerships with local NGOs to distribute the disease resistant cuttings, so that they can focus on their core R&D activities. IITA is also performing assessments of other emerging agricultural diseases (banana wilt, banana bunchy-top disease), and will continue to assist the national research centers to develop important service capacities.

2) The DRC Food Production Processing and Marketing (FPPM) Project will serve the Kinshasa Market shed (FPPM) and is expected to be implemented from FY2010 through FY 2014 with life-of-project funding of \$35 million. The purpose of the award is to achieve broad-based agricultural growth, and that purpose supports the overall goal of the award: to increase food security and reduce poverty. Agriculture will play the major role in sustained economic recovery in the DRC, and will result in improved livelihoods in urban, peri-urban and rural areas. This Project will support short and long term food availability needs in the DRC, stimulate economic growth and increase incomes in rural areas, and establish a base for longer term development of a productive and market responsive agricultural sector. This project will exploit the well-recognized potential for broad-based agricultural growth to contribute to poverty reduction, general economic growth and social stability, while at the same time improving agricultural productivity and product diversity for increased household consumption and better household nutrition. The FPPM Project Contractor will implement a program of activities oriented around the following three components: 1) Increased Agricultural Productivity; 2) Improved Market Efficiency, and 3) Developed Capacity to Respond to Market opportunities.

3, 4, and 5) The Livelihoods Approach to bio-diversity Conservation project (LAC) is enabling environmental NGOs to support agricultural livelihoods development in specific areas to reduce pressure on forest resources and bio-diversity with African Wildlife Foundation (AWF), World Wildlife Fund (WWF) and the Wildlife Conservation Society (WCS), funds are supporting agricultural livelihoods and alternative livelihoods development in three areas adjacent to important protected areas, also supported by the Central African Regional Program for the Environment (CARPE). Those three areas are: Maringa-Lopori Wamba, Salonga, and Ituri. CARPE partners execute large landscape-scale management strategies to addresses both short and long-term conservation objectives linked to rural livelihood improvement activities while furthering national and regional natural resource monitoring and governance systems. CARPE strengthens the capacity of managers at all levels; forest communities, national government institutions, regional and international organizations through a program of training, technical assistance and hands-on conservation programs. Six of the twelve priority Congo Basin Forest Partnership landscapes are located in the DRC, comprising more than 30 million ha. Additionally, CARPE helps create the enabling policy and legal conditions required for sustainable management. These programs improve the management of millions of hectares of tropical forests, help create new regulations, policies and laws and train people in a variety of management and technical disciplines. These efforts are expected to decrease the rate of tropical forest and biodiversity loss and the livelihoods components will help lay the foundation for sustainable economic growth in Central Africa. Specific support to the three landscapes cited above, with EG funding, will improve household income by investing in economically sustainable alternative livelihoods activities that mitigate the negative impacts of small scale timber exploitation, slash and burn farming practice, resource extraction and uncontrolled bush meat hunting. By providing tools, improved seed, fertilizer and trainings, LAC partners support alternative livelihoods that minimize these environmental impacts, link efforts to community based planning and through collaboration with CARPE, to larger landscape level conservation planning.

6) The Microfinance for Farmers and Wholesalers in the Equateur Province Program is a Development Grants Program (DGP) with the Paul Carlson Partnership and is intended to promote trade between Equateur Province and Kinshasa, to increase cash income for farmers' families. This will result in increased demand of locally produced crop commodities. The Project was awarded Sept. 30, 2009. One goal of the DGP program is to build the financial, management and administrative capacity of NGOs and PVOs to work with USAID.

7) The International Food Policy Research Institute (IFPRI) is assisting the GDRC to develop a strategy to increase investment in the agricultural sector, and filling critical capacity building gaps that complement efforts to boost economic growth in agriculture. DRC is aligning its agriculture strategy with the Comprehensive African Agricultural Development Program (CAADP) goals and IFPRI is playing a critical role in this effort. To support broad based agricultural development and the CAADP (and participation in the Feed the Future Initiative), IFPRI is supporting seven themes: 1) A stocktaking of existing datasets and literature on agricultural development in the DRC, 2) Institutional capacity building in DRC's agricultural sector, 3) Support to the CAADP processes in the DRC, 4) Modeling land use choices affecting DRC's rainforests and agricultural cropland, 5) Institutional barriers to trade, 6) A gender assessment of the agricultural sector, and 7) Improving Undernutrition: the roles of gender, health and agriculture.

8) The Energy Sector Reform Project is assisting the GDRC to design and implement a governance structure for the National Electrification and Regulatory agencies for the DRC Ministry of Energy. The project has already supported a feasibility study of operational structures and procedures and subsequent funding will support further articulation of an energy policy. The mechanism used to implement this project is a buy-into the Energy II IQC. This project is centrally managed Thus it will additionally be covered by Environmental Determinations from EGAT.

9) The Katanga Development Credit Authority Activities providing loan guarantees for alternative livelihoods development in the Katanga Province of the DRC.

10) The Agri-business Expansion Development Credit Authority is a new DCA which will provide agri-business lending throughout the country, but with particular focus on Complementarity to the FMMP activity.

12) The Economic Opportunity and Anti-Corruption Activity, which will be launched in FY 2011 and which will increase market efficiency in Bas Congo, Bandundu and Kinshasa, through improved market information and advocacy to limit informal and illegal taxation, and corruption along trade routes.

13) The Market Linkages Program (Activity Management for the Regional Program), which will support processing, warehousing and transport of agricultural commodities in the east of DRC.

SECTION II. COUNTRY AND ENVIRONMENTAL BACKGROUND

The Democratic Republic of Congo (DRC) is recovering from the deadliest conflict since World War II. Building upon the constitutional referendum of 2006, the country has embarked upon profound reforms to establish democratic institutions. With conflict now limited to parts of Eastern Congo, the majority of the country is poised for rapid economic recovery and growth. GDP increased by 6% in 2008, prior to the global financial crisis, based on agriculture (55%), Industry (11%) and the Service Sector. Priority needs for assistance are support for agricultural policy and institutional reforms, productivity, processing and marketing. As progress in these areas takes hold, it will be necessary to address key aspects of the business environment: infrastructure, anti-corruption, institutional capacity, finance and land tenure. All programs to promote agriculturally-based development must take into account the threats and opportunities with respect to the environment.

From 1990-92 and from 1997-99, the Democratic Republic of the Congo (DRC) recorded the greatest increase in undernourished people in the world: seventeen million people, or 22% of the total increase in the world's undernourished population. According to the 2001 FAO report on the State of Food Insecurity

in the World, 72% of the population in DRC is undernourished, with an average daily caloric intake of 1610 calories/day. This is well below the FAO absolute minimum of 1800 calories per day and even farther from the 2300 daily calories recommended to maintain good health. Estimates of this decline are supported by Regional as well as National Surveys performed in 2007. From 1990 to 2008, Congo's Global Hunger Index (GHI) increased by 67%, the absolute worst decline in the entire world for that time period. In 2008, DRC had the highest GHI index of any country in the world. This decline in the nutritional status of the DRC since 1990 follows a decline in food production over that same period of time.

Agriculture employs 62 percent of the men and 84 percent of the women in DRC. Agricultural production for the DRC has fallen 40% since 1990. The provision of basic social services in health, education, water and sanitation has declined as well. Mortality in children under five is alarming at 148 per 1000 people, although it has declined from a rate of 205 per 1000 people some years ago. The primary school enrollment for children is 64 %. The urban coverage rate for safe water has declined from 68% to 37 %, a trend which began in 1990. Only 7 % of the population has access to adequate sanitation. Mortality caused by water borne diseases or due to improper sanitation now accounts for 20 percent of all deaths and 1,400 persons per day continue to die in the DRC of disease, malnutrition and hunger. With an estimated population of 66 million people, DRC is arguably the most important target in order to halve the number of undernourished people in the world by 2015.

Food insecurity and malnutrition in the DRC result from decreased agricultural production, lack of access to markets, low purchasing power of the population, weak institutions and corruption, conflict and insecurity, large displaced populations and poor knowledge of the nutritive value of foods.

DRC is emerging from forty years of mismanagement and civil unrest, and two decades of civil war and political unrest have resulted in more than 5 million deaths from violence, famine and disease. Rural migration due to armed conflict has resulted in population increases in urban areas and over two million displaced people, many of whom are now living in camps in Eastern Congo, in North and South Kivu. Displaced populations have gathered around food distribution sites in Eastern Congo stretching all the way to Province Orientale, North and South Kivu, Maniema and Katanga. Seventy percent of the population resides in rural areas. These populations suffer from lack of access to roads and lack of internal communications and their poor access to markets cuts them off from participation in the broader economy that could foster competition and growth. Population is expected to triple by 2050, to over 180 million. DRC is the second largest land area in sub-Saharan Africa and borders nine countries; its impact on Regional security cannot be overstated, especially since DRC has enormous mineral wealth which has on the one hand provided resources for growth for the country, but on the other fueled violent conflict and war. From 2005-2008, the World Bank's Doing Business Report rated DRC as the most difficult place in the world to do business although, at the time of this writing and the release of the 2009 Doing Business Report, the Central African Republic (CAR) is now ranked last, with DRC taking the penultimate spot.

The poor and ultra-poor are distributed throughout the country, both in urban and rural areas. Recent data on food price inflation indicates that in the DRC, the food price crisis is far from over. DRC is heavily dependent upon food imports for domestic consumption, and import duties can vary from between 24 to 36%. Imports of rice, sugar, wheat, cereals and vegetable oil have doubled in recent years¹ as prices of these and other commodities have continued to rise. Women in DRC are more vulnerable and are more likely to be amongst the ultra-poor. Sexual and gender-based violence and rape is used against women as a weapon of war and women have little or no recourse to any system of justice. Displaced populations, primarily in the East of the country, are also especially vulnerable and are landless and unable to access their farms for cultivation or to earn a living; leaving them dependent upon food aid for survival.

Ironically, DRC has tremendous agriculture potential. In terms of area of arable land, DRC could be the seventh largest agriculture producer in the world. DRC has 80 million hectares of arable land; climatic diversity and abundance of water that allows cultivation of a large variety of crops; pasture potential to support 40 million cattle; 125 million hectares of tropical forest and the potential to produce 700,000 tons of fish each year. Policy coordination amongst donors and with the Government is weak by all estimates, and lack of reliable data makes planning problematic.

DRC's forests are the second largest block of tropical forest in the world (145 million hectares, or approximately 62 percent of national territory). These forests are critical to the livelihood of about 40 million Congolese, providing food, medicine, domestic energy, building materials, and cash. They play a vital role in regulating the global environment. They harbor much unique biodiversity: DRC ranks fifth among nations for its plant and animal diversity. If they are conserved and managed well, DRC's forests could provide many national and global benefits in perpetuity. Yet DRC's forests and biodiversity are under threat from a variety of fronts including clearing land for agriculture, illegal logging, a high rate of bush meat consumption, population growth and migration, poverty, and conflict. Recognizing these and other threats, the GDRC seeks to develop and institutionalize a vision of DRC's forests as an enduring provider of multiple goods and services rather than as an arena for the rapid extraction of timber and other resources.

In the DRC there are three different classes of ecoregions: terrestrial, freshwater aquatic and marine, with the first two overlapping because of the extensive freshwater swamps. The ecoregions are described in groupings: western DRC, moist forests, northern forest/savanna mosaic, southern forest/savanna mosaic, miombo dry forest, montane/alpine vegetation, and the rift valley lakes. In the north/central part of DRC lies the vast block of Congolian moist tropical forest and swamp forests is home to an enormous and largely endemic flora and fauna. The southern part of the DRC supports extensive dry forests of the miombo type, widespread in eastern Africa and rich in biodiversity though less so than the moist forest. A very strange feature of the Congolian forest is that the moist and dry forests are not adjacent to each other. There is a large expanse of sparsely-wooded tall grass savanna between them. Similar vegetation also occurs to the north of the Congo, where the forest/savanna mosaic occurs between the moist forest and the woodlands dominated by *Isobertinia* and other trees that takes the place of miombo in the north. The dynamics of this vegetation are still poorly-understood. However, the savannas appear to be a fire-climax community that will develop into moist forest if burning is suppressed. DRC's aquatic ecosystems are extensive and contain a high number of endemic species.

Given the enormous biodiversity of the DRC and the high level of endemism, there must be large numbers of species of animals and plants that depend upon as yet unidentified critical natural areas for their survival. Documenting the biodiversity of the DRC and its distribution and critical habitat areas needs to be an important priority for the universities and natural resources agencies of the DRC and their foreign partners. So far a few smaller sites protection lower-profile species have been identified, and the bird conservation has taken the lead here, identifying critical bird conservation areas in the fragmented forests of the eastern highlands and elsewhere. Other critical sites are caves along the lower Congo with endemic fish, the Mont Hoyon area near the Virungas with Bedford's paradise-flycatcher and cave ecosystems, sandy beaches with marine turtle nesting, and the southernmost fragment of the species-rich Mayombe forest at Luki.

The DRC has a number of threatened and endangered species across all orders. The mammals category contains most of the highest profile endangered species. Some species continue to decline because of illegal trade in wildlife products, especially ivory and rhino horn, with DRC losing both of its rhinoceros species. The northern white rhino, which depended on protection in the Garamba National Park for survival, has apparently become extinct in the wild between the 2003 Environmental Analysis and now.

Elephant populations continue to decline because of a resurgent trade in illegal ivory with Asia. War in the east has increased pressure on gorillas and other wildlife, and led to the catastrophic decline in hippo numbers in Lake Albert. Larger mammals are especially susceptible to poaching, and species continue to decline through DRC, both because of the bush meat trade and because of habitat loss. The DRC list of completely protected species lists many mammals, especially primates that are listed by IUCN in lower risk categories. However, wildlife protection for the most part depends upon protected area management rather than species-based initiatives.

THREATS TO BIODIVERSITY AND TROPICAL FORESTS

Direct threats include

- Agriculture expansion as a result of shifting cultivation, particularly in Eastern DRC as a result of demographic pressures and civil strife; future deforestation may be driven largely by the expansion of palm oil plantations into forest regions;
- Illegal artisanal logging and cross border trade linked to industrial logging concessions;
- The commercial bush meat trade which has replaced habitat loss as the primary cause of wildlife extinction;
- Given the overlap between DRC's mineral resources and tropical forests/protected area, without adequate safeguards, including the use of biodiversity offsets, industrial mining activities will continue to threaten the DRC's forests and biodiversity. Artisanal mining has had and continues to have an impact on the DRC's forests and biodiversity, including an impact on national parks and wildlife reserves. The majority of the artisanal activity may have individually insignificant effects on biodiversity and tropical forests but cumulatively significant effects.
- As wood accounts for 85% of domestic energy use in the DRC, cutting for fuelwood has been a major driver of forest degradation around DRC's urban areas;
- Illegal trade in endangered species continues to have an impact on the DRC's elephant, hippo, grey parrot populations as well as on important plant species including *Prunus africana* and *Afromosia spp*;
- As peace and stability return to the DRC, improving the country's road network will be absolutely essential for development, but roads fragment the forests, favor the advance of agriculture and facilitate hunting and trade in bushmeat;
- Zoonotic diseases such as ebola have had a devastating impact on the Congo Basin's great ape populations;
- Invasive species such as *Chromolaena odorata* and *Sericostachys scandens* are displacing native species through competition for food and other resources, through predation, and alteration of habitat;
- Bushfires in many areas are resulting in the progressive disappearance of the woody species most sensitive to fire and the re-growth of herbaceous species;

- DRC's aquatic biodiversity is menaced by overexploitation, pollution, alteration of habitat and destruction of shore zones.

Indirect threats include climate change and displaced populations and conflicts.

The threats and opportunities were reviewed in relation to biodiversity and tropical forests.

Good governance:

Good governance, the rule of law, and the ability to participate in the selection of individuals called upon to make policy and decisions that both affect the quality of daily life and set the course for the future are extremely important for environmental management. Assuming the thoughtful implementation of governance activities these should enhance the long term protection of biodiversity and maintenance of forest cover. Governance activities should enhance community participation in efforts such as zoning while at the same time help communities to understand the process by which decisions are made that are in the interest of the nation, and not necessarily in the short term interests of a particular group of individuals.

Threats to forests

Threats to forests in DRC include slash and burn agriculture and the bush meat trade. Causal factors include increased forest access (commercial logging, roads), weak institutional capacities (inadequate resources for forest management, lack of good governance) and inappropriate management strategies. Work in the agriculture sector is critically important to improving the well being and economic status of those who need it the most. USAID livelihood projects have the opportunity to enhance the long term protection of biodiversity and tropical forests by promoting sustainable use. Activities can also help orient people away from critical protected areas as well as other areas highlighted as important for conservation. At the same time, livelihood projects that do not plan for possible negative environmental consequences run the risk of contributing to the degradation and/or loss of forest cover and biodiversity.

National Environmental Policy and Procedures

The DRC has a Ministry of Environment, Conservation of Nature and Tourism with policies on the protection of forests, wildlife and water resources. DRC has also a draft national environmental code and a draft water code which are still at the parliament for clearance. These policies documents will be respected and applied in all activities under this program.

SECTION III. EVALUATION OF POTENTIAL THREATS, ENVIRONMENTAL DETERMINATIONS AND CONDITIONS

The purpose of this Initial Environmental Examination is to provide threshold determinations for the activities of USAID/DRC's Economic Growth Office. All bi-lateral Economic Growth activities funded through the USAID/DRC/ Economic Growth Office fall under this Environmental Threshold Determination. Activities funded by USAID/DRC but managed as centrally managed mechanisms are covered by this IEE. Centrally managed and funded mechanisms are also covered by environmental determinations out of their respective Bureau IEE. In that case Economic Growth Activity Managers are not responsible for ensuring environmental compliance with provisions and conditions of the respective Bureau IEEs. However, they will consult with AOTRs of centrally funded mechanisms to ensure activities comply with the Economic Growth Agriculture and Trade Office IEE. This IEE is a consolidation of all the previous thresholds determinations for all the activities currently enrolled under Economic Growth and will replace the previous IEE for Economic Growth: 193-3XDRC09

USAID's current Economic Growth (EG) portfolio includes is expanding to include 13 different projects, as noted. Specific descriptions of activities are detailed below.

1) The FPPMP Project focuses on increasing productivity, market efficiency and rural value-addition to enhance food security through market-driven production, organization, and private agri-business development & agricultural productivity. Activities will include:

Categorical Exclusion:

- a) Agricultural extension and advisory services, production planning and community organization and mobilization
- b) Training and capacity building at all levels of the agricultural and aquaculture production chain,
- c) Support to research and information for the development of the market supply chain.

Negative Determination, conditions described:

- d) Improved production technology through improved seeds and planting stock and practices
- e) Supply of planting tools
- f) Road rehabilitation and rehabilitation of market infrastructure (storage facilities, collecting centers),
- g) Increasing trucking and transport capacity in selected areas (providing trucks/river transport/other transport services),
- h) Setting up micro-credit schemes for micro- and small enterprise development and facilitating access to credit
- i) Improving production of, and the local processing of agricultural products (cassava, maize, and rice, others)
- j) Biophysical aspects of improved animal husbandry, aquaculture and forestry production, management and processing
- k) Integrating agriculture adjacent to areas of important biodiversity and forested areas
- l) Reforestation and afforestation including integrated agro-forestry and agro-ecological systems management

Determinations and Conditions

A Categorical Exclusion from environmental examination is recommended for the following sorts of activities under the Food Production, Processing and Marketing Project, except to the extent that the activities directly affect the environment (such as construction of facilities), pursuant to:

- 22CFR216.2(c) (2) (i) [education, technical assistance, training]
- 22CFR216.2(c) (2) (ii) [controlled experimentation]
- 22CFR216.2(c) (2) (iii) [analyses, studies, workshops and meetings]
- 22CFR216.2(c) (2) (v) [document and information transfer].
- 22 CFR 216.2(c) (2) (xiv) [programs to develop capability of recipient countries and organizations in development planning].

The Categorical Exclusion applies to:

- a) Agricultural extension and advisory services, production planning and community organization and mobilization
- b) Training and capacity building at all levels of the agricultural and aquaculture production chain,
- c) Support to research and information for the development of the market supply chain.

Pursuant to 22 CFR 216.3(a) (2) (iii) a **Negative Determination with Conditions** is recommended for the following activities:

Improved production technology through improved seeds and planting stock and practices

Conditions: The plant stocks improvement will be limited to seeds selection and multiplication. Suppliers shall: 1) ensure appropriateness for the agro-climatic zone to which they are being introduced; 2) avoid introducing exotic invasive species; and 3) avoid providing or promoting genetically modified organisms (GMOs). This requires identifying and mitigating any potential direct adverse impacts on the physical environment and human health and safety (such as due to aflatoxin contamination) arising from distribution of free seeds. Lastly, non-native plants will not be introduced into protected areas.

Supply of Planting Tools.

Condition: The supply of appropriate planting tools (Hoes, machetes, axes etc.) will be limited to those that do not have detrimental impacts on the environment

Road rehabilitation and rehabilitation of market infrastructure (storage facilities, collecting centers),

Conditions: The FPPM project may build or rehabilitate a limited number of feeder roads. Interventions will be implemented in accordance with EGSSAA Part II Chapter 14, Rural Roads, specifically; some of the most significant environmental impacts of rural road infrastructure include soil erosion, (failing to keep water off of road surfaces) and subsequent water quality degradation, siltation of nearby rivers and streams, lakes and wetlands. Management of fuel and lubricants at road camps must be addressed, and an M&E plan developed. Road and quarry "borrow pits," can sometimes be created, when roads are being rehabilitated or built, and roads can block surface and sub-surface water flows, when not properly planned and executed. Poorly installed culverts in wet or meadow areas may concentrate water and form gullies. Implementing partners will address, in their EMP, site specific mitigation and monitoring plans for each of the above listed concerns, as well as the additional concerns described in the EGSSAA. Operation and maintenance of all infrastructure investments will be included as a component of the EMP, and that plan should address both new investments in rehabilitated and newly constructed feeder roads, as well as plans for the decommissioning of existing roads and infrastructure.

Infrastructure development activities often require new construction, as well as the rehabilitation of existing facilities. The FPPM project may build or rehabilitate market infrastructure facilities. An EMP will be required for each facility, to address both the environmental impact of the construction activities themselves, and the sustainability and appropriateness of the infrastructure. Common environmental impacts of the rehabilitation of infrastructure include both direct and indirect impacts to land and environmental resources. Implementers will consult EGSSAA, Chapter 3, Small Scale Construction, as well as information on solid waste management, energy, and other applicable guidelines. Common impacts include damage to valuable ecosystems, sedimentation of surface waters caused by the extraction of construction materials, contamination of ground and surface water supplies, adverse social impacts, and other concerns.

Increasing trucking and transport capacity in selected areas (providing trucks/river transport/other transport services),

Conditions: Management of fuel and lubricants at road camps must be addressed, and an M&E plan developed. Furthermore, increasing trucking and transport capacity may place additional strains on rural roads and bridges, and an environmental assessment of the impact of increased transportation should be included in the M&E plan.

Setting up micro-credit schemes for micro- and small enterprise development and facilitating access to credit

Conditions: For support to micro-finance institutions and MSEs, the EG Team shall assist MFI and MSE credit and service providers to institutionalize environmental reviews of credit and service projects and individual activities. MSEs and MFIs shall receive training in the use of environment guidelines. The guidelines will illustrate how environmentally sound practices can be used to improve the effectiveness and efficiency of doing business. A micro credit guide will be elaborated to sustain the entire process and management practices will be set up to minimize the impacts of the activities on the environment.

Such activities shall also be subject to USAID environmental review. The Environmental Review Form in the EGSSAA shall be tailored as needed, to assist in identifying potential environmental impacts that are likely to occur as a result of such micro enterprise activities. The ERF helps to classify such potential impacts into low risk medium risk and high risk categories. Mitigation measures will be identified for all medium and high risk categories. (SO Team will use guidelines in USAID Bureau for Africa's Environmental Guidelines for Small-Scale Activities in Africa (EGSSAA) Part III, "Guidelines for Micro and Small enterprises") In addition, the SO team leader shall visit all such projects during implementation to ensure that they are not likely to cause any adverse environmental impacts, with a view to correcting and or initiating additional mitigation measures.

Improving production of, and the local processing of agricultural products (cassava, maize, and rice, others)

Conditions: It is critical that environmental effects be taken into account when planning agricultural initiatives. Soil, water, and irrigation are the subjects of Chapter 1 of the EGSSAA, and the implementer will develop an EMP to address the environmental impacts of these interventions. Some of the common impacts include: degradation of marginal lands that displace previous land uses, deforestation, degradation or destruction of protected habitats, biodiversity loss, cropland degradation, introduction of exotic species, soil erosion, reduction of soil fertility, siltation of water bodies, reduction in water quality and policy impacts of agriculture. The local processing of agricultural commodities must be done in accordance with an EMP, developed in conjunction with the best practice guidelines.

The activities under this program shall be conducted following the principles provided in *Chapter 4.2 Food Processing: Cleaner Production Fact Sheet and Resource Guide* of the *USAID Environmental Guidelines for Small-scale Activities in Africa*, which can be found at <http://www.encapafrica.org/EGSSAA/foodprocessing.pdf>.

Biophysical aspects of improved animal husbandry, aquaculture and forestry production, management and processing

Conditions: Animal husbandry is integral to rural livelihoods. Grazing, mixed farming and industrial systems all pose different environmental challenges. Common challenges include overgrazing, policy and legal problems associated with traditional and modern husbandry practices, access to critical resources, harm to vegetation, loss of farm fertility. All activities will be done in accordance with best practices and will consider climate, terrain and ecosystem impacts. Aquaculture programs will consult best practices under the EGSSAA Part II, Chapter 6.

Integrating agriculture adjacent to areas of important biodiversity and forested areas

Conditions: Best practice guidelines on agriculture, EGSSAA will be referenced and adhered to, as documented in the EMP for the FPPM program.

Reforestation and afforestation including integrated agro-forestry and agro-ecological systems management

Conditions: Best practice guidelines EGSSAA Chapter 7: Forestry: Reforestation, Natural Resource Management, and agro-forestry.

2) The Emergency Response to the Outbreak of Cassava Mosaic Disease (Cassava III). The Objective of the activity is to multiply, disseminate and put into production as much CMD-resistant cassava and improved technology (clean-cutting of cultivars) as possible among as many farmers as possible throughout the DRC.

Determination and Conditions

A **Categorical Exclusion** from further environmental review is recommended, pursuant to 22 CFR 216.2 (c) (2) (i)(ii)(iii) and (v), for the research, technical assistance, training, workshops and information transfer components of the cassava seed production, multiplication and dissemination activities.

3) The Livelihoods Approach to Conservation (LAC) program supports agricultural livelihoods development in three biodiversity landscapes, in order to reduce pressure on forest resources and biodiversity, and in conjunction with the Central African Regional Program for the Environment (CARPE). Its activities include the following: Training and capacity building, policy advocacy, outreach/media, provision of tools and improved seeds and fertilizer.

Determination and Conditions

A **Categorical Exclusion** from further environmental review is recommended, pursuant to 22 CFR 216.2 (c) (2) (i)(ii)(iii) and (v), for the training, capacity building, policy advocacy and outreach/media activities, to the extent that they will have no foreseeable direct impact on the physical environment.

Pursuant to 22 CFR 216.3(a) (2) (iii) a **Negative Determination with Conditions** is recommended for the following activities:

Improved production technology through improved seeds and planting stock and practices

Conditions: The plant stocks improvement will be limited to seeds selection and multiplication. Suppliers shall: 1) ensure appropriateness for the agro-climatic zone to which they are being introduced; 2) avoid introducing exotic invasive species; and 3) avoid providing or promoting genetically modified organisms (GMOs). This requires identifying and mitigating any potential direct adverse impacts on the physical environment and human health and safety (such as due to aflatoxin contamination) arising from distribution of free seeds. Lastly, non-native plants will not be introduced into protected areas.

Supply of Planting Tools.

Condition: The supply of appropriate planting tools (Hoes, machetes, axes etc.) will be limited to those that do not have detrimental impacts on the environment

4) The Agricultural Policy Support Activity for the Government of the Democratic Republic of Congo (GDRC) supports the GDRC in seven critical capacity building and research themes 1) A stocktaking of existing datasets and literature on agricultural development in the DRC, 2) Institutional capacity building in DRC's agricultural sector, 3) Support to the CAADP processes in the DRC, 4) Modeling land use choices affecting DRC's rainforests and agricultural cropland, 5) Institutional barriers to trade, 6) A gender assessment of the agricultural sector, and 7) Improving Undernutrition: the roles of gender, health and agriculture.

Determination and Conditions

A Categorical Exclusion is recommended, pursuant to 22 CFR 216.2 (c) (2) (i)(ii)(iii) and (v), for the Agricultural Policy Support Activity as all its activities have to do with technical assistance, training, seminars, and workshops; analysis, studies, research , workshops and meetings; and, documentation and information transfer

5) The objective of the Microfinance for Farmers and Wholesalers in Equateur province is to promote crop trade with outside regions in order to increase cash income for farmers' families. This will result in increased demand of locally-produced crop commodities that will have to be collected and transported to people involved in the wholesale trade of agricultural products. The activities include the following:

- a) Improve local economy through agricultural improved technology and extension
- b) Improve quality of local agriculture through providing microfinance and advice on crops with good market potential to farmers, providing training in microfinance to farmers, and by offering hybrid stocks
- c) Strengthen linkages to outside economy through creating and sustaining linkages between wholesalers in project area and Kinshasa buyers in order to promote the circulation of cash and ensure a continuous export of local agricultural commodities
- d) Strengthen voice of women in family and commercial affairs to promote the involvement of women in decision-making both at family level and in commercial affairs within the project area

Determination and Conditions

A Categorical Exclusion is recommended, pursuant to 22 CFR 216.2(c) (2) (i) (ii) (iii) (iv), for most of the activities in a), b), c) and d) above, as they have no direct foreseeable impact on the physical environment.

Negative Determination with Conditions, pursuant to 22 CFR 216.3(a) (2) (iii), is recommended for any of the **microfinance activities** associated with any of the activities described above

Conditions include: Activities relating to the expansion of microfinance and or micro enterprise shall be subjected to environmental review. The Environmental Review Form in the EGSSAA shall be tailored as needed, to assist in identifying potential environmental impacts that are likely to occur as a result of such micro enterprise activities. The ERF helps to classify such potential impacts into low risk medium risk and high risk categories. Mitigation measures will be identified for all medium and high risk categories. (SO Team will use guidelines in USAID Bureau for Africa's *Environmental Guidelines for Small-Scale Activities in Africa* (EGSSAA) Part III, "Guidelines for Micro and Small enterprises") In addition, the team leader shall visit all such projects during implementation to ensure that they are not likely to cause any adverse environmental impacts, with a view to correcting and or initiating additional mitigation measures.

6) The **Energy Sector Reform Project** is intended to help design and implement a governance structure for the National Electrification and Regulatory Agencies for the DRC Ministry of Energy in order to establish a new energy sector policy for the DRC. The project will deal with feasibility studies regarding operational structures and procedures to establish the rights and responsibilities for the two institutions cited above.

Determination and Conditions

A **Categorical Exclusion**, pursuant to 22 CFR 216.2(c) (2) (iii), is recommended for this activity as it has to do with analysis and studies with no direct foreseeable impact on the physical environment

9) The **Katanga Development Credit Authority Activities** providing loan guarantees for alternative livelihoods development in the Katanga Province of the DRC.

10) The **Agri-business Expansion Development Credit Authority** is a new DCA which will provide agri-business lending throughout the country, but with particular focus on Complementarity to the FMMP activity.

A **Negative Determination with Conditions**, pursuant to 22 CFR 216.3(a) (2) (iii), is recommended for any of the **microfinance activities associated with the DCA programs**:

Setting up micro-credit schemes for micro- and small enterprise development and facilitating access to credit

Conditions: For support to micro-finance institutions and MSEs, the EG Team shall assist MFI and MSE credit and service providers to institutionalize environmental reviews of credit and service projects and individual activities. MSEs and MFIs shall receive training in the use of environment guidelines. The guidelines will illustrate how environmentally sound practices can be used to improve the effectiveness and efficiency of doing business. A micro credit guide will be elaborated to sustain the entire process and management practices will be set up to minimize the impacts of the activities on the environment.

Such activities shall also be subject to USAID environmental review. The Environmental Review Form in the EGSSAA shall be tailored as needed, to assist in identifying potential environmental impacts that are likely to occur as a result of such micro enterprise activities.

The ERF helps to classify such potential impacts into low risk medium risk and high risk categories. Mitigation measures will be identified for all medium and high risk categories. (SO Team will use guidelines in USAID Bureau for Africa's Environmental Guidelines for Small-Scale Activities in Africa (EGSSAA) Part III, "Guidelines for Micro and Small enterprises") In addition, the SO team leader shall visit all such projects during implementation to ensure that they are not likely to cause any adverse environmental impacts, with a view to correcting and or initiating additional mitigation measures.

11) The Economic Opportunity and Anti-Corruption Activity, which will be launched in FY 2011 and which will increase market efficiency in Bas Congo, Bandundu and Kinshasa, through improved market information and advocacy to limit informal and illegal taxation, and corruption along trade routes.

A **Categorical Exclusion**, pursuant to 22 CFR 216.2(c) (2) (iii), is recommended for this activity as it has to do with analysis and studies with no direct foreseeable impact on the physical environment

12) The Market Linkages Program (Activity Management for the Regional Program), which will support processing, warehousing and transport of agricultural commodities in the east of DRC.

A **Negative Determination with Conditions**, pursuant to 22 CFR 216.3(a) (2) (iii), is recommended for market infrastructure activities:

Infrastructure development activities often require new construction, as well as the rehabilitation of existing facilities. The FPPM project may build or rehabilitate market infrastructure facilities. An EMP will be required for each facility, to address both the environmental impact of the construction activities themselves, and the sustainability and appropriateness of the infrastructure. Common environmental impacts of the rehabilitation of infrastructure include both direct and indirect impacts to land and environmental resources. Implementers will consult EGSSAA, Chapter 3, Small Scale Construction, as well as information on solid waste management, energy, and other applicable guidelines. Common impacts include damage to valuable ecosystems, sedimentation of surface waters caused by the extraction of construction materials, contamination of ground and surface water supplies, adverse social impacts, and other concerns.

Additional requirements that apply to all activities under the threshold determination of "Negative Determination with Conditions" in this Economic Growth IEE:

- (a) The responsibility for implementing activities in accordance with the findings and conditions of this IEE must be incorporated into all contracts and grants that serve to implement activities covered under this IEE.
- (b) The contractor /grantee will have each activity including grants reviewed by a qualified professional approved by the Mission Environmental Officer (MEO). The environmental professional assessment of the activity and recommendations on any further environmental actions to be taken and comments on activities showing potential for significantly adverse environmental baseline conditions prior to activity implementation is an integral part of the Mitigation, Monitoring Plan. This will be completed using the Environmental Screening form (see annex 2).

- (c) Economic Growth AOTRs will undertake field visits and consultations with implementing partners to jointly assess the environmental impacts of ongoing activities, and the effectiveness of associated mitigation and monitoring plans.
- (d) Reports will be required for processing facilities with Environmental Assessment of environmental impacts and appropriate mitigations and monitoring procedures presented
- (e) Organizations receiving USAID/DRC funds and transferring them through grants or other mechanisms to other organizations must incorporate provisions stipulating:
 - a) the activities to be undertaken will be within the scope of the environmental determinations and recommendations of this IEE.
- (f) For activities that are not funded by USAID/DRC, but are an identifiable part of the Economic Growth activity (for example if another source of funding is supporting agricultural activities), the implementing partner must assure that, at a minimum, the equivalent USAID standards for mitigation are followed.
- (g) Adherence to applicable GDROC environmental laws and policies is a requirement to be met by the Contractor /Grantee.

SECTION IV. ACTIVITY/PROGRAM ENVIRONMENTAL COMPLIANCE REPORTING, MONITORING AND SCREENING REQUIREMENTS (SEE ANNEX 1)

Monitoring, Evaluation and Reporting

USAID/DRC Economic Growth Office will enforce monitoring and mitigation strategies as reported in Annex 1 Recommended Determinations & Mitigation Actions By Activity, to ensure compliance with 22 CFR 216 and ADS 204.3.4 in documenting that the conditions specified in EG IEE have been met for all activities carried out under each award and be completed by each organization carrying out activities under USAID/DRC/EG contract or award. Each AOTR, AOTR and Activity Manager assumes oversight responsibility, working proactively with the implementation teams.

The EG team will ensure that provisions of the IEE and the conditions and monitoring set forth herein are incorporated into all contracts, subcontracts, cooperative agreements, grants and sub-grants, as appropriate, following the ADS 204 Help Document, “Language for Use in Solicitations and Awards (<http://www.usaid.gov/policy/ads/200/204sac.pdf>).

Annual Environmental Compliance Reporting

As part of the Annual Report, the Economic Growth team will provide comprehensive annual “Environmental Compliance Report” to the REO and BEO for review on the status of implementation of the requirements of this IEE. Particular focus will be put to these activities that are recommended for Negative Determination with Conditions, including sufficient information to demonstrate that the activities being conducted remain consistent with the description provided above and that the conditions are being followed.

Economic Growth Monitoring Responsibilities

As required by ADS 204.5.4 the SO team must actively monitor on going activities for compliance with approved IEE recommendations and modify or end activities that are not in compliance. If additional activities not described in this document are added to this program, then an amended or new environmental documentation must be prepared. The SO team will also ensure that provisions of the IEE concerning mitigative measures and the conditions specified herein along with the requirements to monitor be incorporated in all contracts, cooperative agreements, grants and sub grants.

Grantee/contractor personnel in charge of field monitoring will use the environmental screening/report form (see annex2) during every field site visit to screen all ongoing activities for environmental compliance and report back to USAID.

Environmental Screening Process

- Implementing partners will screen proposed activities according to *the Africa Bureau Screening and Environmental Review Process*, which is described in the Africa Bureau *Environmental Guidelines*, Part III. This can be found at <http://www.encapafrika.org/docs.htm#compliance>²,
- As described there and in Annex 2 below, the screening categories include the following: **Very low risk** (Category 1): Activities that would normally qualify for a categorical exclusion under Reg. 216; **Medium risk** (Category 2): Activities that would normally qualify for a negative determination under Reg. 216; **High risk** (Category 3): Activities that have a clear potential for undesirable environmental impacts and typically under Reg. 216 require an Environmental Assessment; and **Very high risk** (Category 4): Activities that either USAID cannot fund or for which specific findings must be made in an Environmental Assessment prior to funding.
- The MEO shall be responsible, first, for clearing the implementing partner's category determination. Further, the MEO must review and approve all Environmental Reviews individually or in groups and then pass on to the REO for review. All Category 3 Environmental Reviews *must be approved by the BEO*. Any activities that fall within Category 4 will be immediately referred to the REO and BEO, unless the MEO reject them and thereby deny implementation of the subject activities.
- The implementing partners will take into consideration potential environmental impacts and their mitigation and monitoring measures, including avoidance, through design, implementation, impact mitigation and monitoring of their activities to achieve an environmentally-sound project design and program sustainability.
- Implementing partners will take into account the Africa Bureau *Environmental Guidelines for Small-Scale Activities in Africa* and other appropriate Africa Bureau and generic environmental assessment sources, to assist in determining what potential projects impacts should be of concern for different types of development activities in various settings, and which impacts to mitigate and monitor for a particular development activity.
- Implementing partners must identify in the environmental review reports all proposed environmental mitigation and monitoring requirements. Once the environmental review reports are approved, mitigation measures and monitoring procedures stated in the environmental review report should be considered as a requirement. Additionally, project implementers should ensure that the agreed-upon mitigation and monitoring measures are in place.
- USAID/DRC Team shall report on an annual basis on the status of environmental screening and review, and the implementation of required mitigation and monitoring measures. This will include the review of implementing partners' progress and annual reports to help determine if environmental mitigation and monitoring procedures are in place, including their expected performance, and periodic field visits by the REO.

² <http://www.encapafrika.org/docs.htm#compliance>http://www.encapafrika.org/documents/compliance_forms/AFR-EnvReviewForm-17Jan05.doc

<p>• Компонентна ед. не е вот единств. клас.</p> <p>• Застапувајќи ја ед. класата двојка.</p> <p>• Двојка не може да биде поделба.</p> <p>• Двојка не е одредена деловна единица, а е само една единица (единица).</p>	<p>двојка</p>	<p>двојка е единствена деловна единица, а е само една единица (единица).</p>	<p>двојка е единствена деловна единица, а е само една единица (единица).</p>
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НАСТАВНИК: Д-Р ВЕЛИЧКА ДИМИТРИЈА
 МАТЕМАТИКА ЗА ДЕТЕТА И НАСТАВНИЦИТЕ

**ANNEX 1: RECOMMENDED DETERMINATIONS & MITIGATION ACTIONS
BY ACTIVITIES WITH POTENTIAL ENVIRONMENTAL IMPACTS**

Activities	Illustrative Potential Environmental Impacts	Recommended Determinations	Mitigation and Monitoring Measures
<p>Improve production technology through improved seeds and planting practices and organization & improved planting stocks.</p>	<ul style="list-style-type: none"> • Introduction of invasive species • Use of GMOs 	<p>Negative Determination with Conditions pursuant to 22 CFR 216 (3) (a) (iii)</p>	<p>Ensure use of local crops that are appropriate for the agroclimatic zone to which they are being introduced; no introduction of exotic or invasive species;</p> <p>The activities under this program shall also be conducted following the principles provided in <i>Chapter 1 Agriculture</i> of the USAID <i>Environmental Guidelines for Small-scale Activities in Africa</i>, which can be found at http://www.encapafrica.org/EGSSAA/agriculture.pdf</p> <p>Responsible Party: Contractor or Grantee</p>
<p>Improved Local Processing of Cassava.</p>	<ul style="list-style-type: none"> • Piling up of by products • Damage to the ecosystem • Piling up of solid & water waste • Threat to water supply quality • Sedimentation of streams and surface water • Contamination of water supply 	<p>Negative Determination with Conditions pursuant to 22 CFR 216 (3) (a) (iii)</p>	<p>The activities under this program shall be conducted following the principles provided in <i>Chapter 4.2 Food Processing: Cleaner Production Fact Sheet and Resource Guide</i> of the USAID <i>Environmental Guidelines for Small-scale Activities in Africa</i>, which can be found at http://www.encapafrica.org/EGSSAA/foodprocessing.pdf</p> <p>Responsible Party: Contractor or Grantee</p>

Activities	Illustrative Potential Environmental Impacts	Recommended Determinations	Mitigation and Monitoring Measures
<p>Micro-Credit Schemes for Micro and Small Enterprise Development</p>	<p>Potential environmental impacts from MSE's include:</p> <p>Solid, chemical and hazardous waste issues</p> <p>Air pollution and particulate dust</p> <p>Water pollution</p> <p>Soil erosion</p> <p>Health and safety risks</p>	<p>Negative Determination with Conditions pursuant to 22 CFR 216 (3) (a) (iii)</p>	<p>Activities relating to the expansion of microfinance and or micro enterprise shall be subjected to environmental review. The Environmental Review Form in the EGSSAA shall be tailored as needed, to assist in identifying potential environmental impacts that are likely to occur as a result of such micro enterprise activities. The ERF helps to classify such potential impacts into low risk medium risk and high risk categories. Mitigation measures will be identified for all medium and high risk categories. (SO Team will use guidelines in USAID Bureau for Africa's <i>Environmental Guidelines for Small-Scale Activities in Africa (EGSSAA) Part III, "Guidelines for Micro and Small Enterprises"</i>) http://www.encapafrika.org/EGSSAA/mse_introduction.pdf</p> <p>In addition, the team leader shall visit all such projects during implementation to ensure that they are not likely to cause any adverse environmental impacts, with a view to correcting and or initiating additional mitigation measures.</p> <p>Responsible Party: AOTR/COTR and Contractor or Grantee</p>
<p>Any biophysical activities associated with the LAC Program</p>	<p>The full nature and extent of the activities in this program, and any biophysical aspects resulting from it, are unclear at this stage.</p>	<p>Negative Determination with Conditions pursuant to 22 CFR 216 (3) (a) (iii)</p>	<p>Further environmental review, and approval by the MEO, REO, and BEO, will be required prior to the commencement of any of the biophysical activities contained within these programs.</p> <p>Responsible Party: AOTR/COTR</p>
<p>Any biophysical aspects of the improved animal husbandry and production practices</p>	<p>The full nature and extent of the activities in these programs, and any biophysical aspects resulting from them, is unclear at this stage.</p>	<p>Negative Determination with Conditions pursuant to 22 CFR 216 (3) (a) (iii)</p>	<p>Further environmental review, and approval by the MEO, REO, and BEO, will be required prior to the commencement of any of the biophysical activities contained within these programs resources may be needed by these programs to complete and implement such Environmental Assessments</p> <p>Responsible Party: AOTR/COTR</p>

Activities	Illustrative Potential Environmental Impacts	Recommended Determinations	Mitigation and Monitoring Measures
Road rehabilitation	The full nature and extent of the activities in these programs, and any biophysical aspects resulting from them, is unclear at this stage.	Negative Determination with Conditions pursuant to 22 CFR 216 (3) (a) (iii)	Further environmental review, and approval by the MEO, REO, and BEO, will be required prior to the commencement of any of the biophysical activities contained within these programs. Responsible Party: AOTR/COTR
Rehabilitate market infrastructure (storage facilities, collecting centers, development of infrastructure for local markets)	The full nature and extent of the activities in these programs, and any biophysical aspects resulting from them, is unclear at this stage.	Negative Determination with Conditions pursuant to 22 CFR 216 (3) (a) (iii)	Further environmental review, and approval by the MEO, REO, and BEO, will be required prior to the commencement of any of the biophysical activities contained within these programs. Responsible Party: AOTR/COTR

**ENVIRONMENTAL SCREENING/REPORT FORM
FOR PARTNER ACTIVITIES & GRANT PROPOSALS**
[to be adapted by/with partners to their situations]

Note to individuals adapting the:

- * Africa Bureau Environmental Review FORM &
- * Environmental Review Form INSTRUCTIONS

for use on a particular program/activity:

- The Environmental Review Form and its instructions are for use in the review and approval of subproject proposals that are (1) carried out under an “umbrella” project AND (2) defined and reviewed *after* approval of the overall or “umbrella project.” Typical subprojects include microfinance activities or subgrants for small-scale development.
- For primarily NRM-oriented programs, consider and use the Supplemental Environmental Review Form for NRM sector activities, especially those considering NRM-based enterprises, CBNRM, ecotourism, etc..
- Text in **UNDERLINE & BLUE HIGHLIGHT** MUST be modified to reflect project and mission name.
- Yellow highlighted text is only put emphasis on the points highlighted, and can also be dropped
- Both the form AND instructions should be reviewed and modified in general to reflect the needs of the specific umbrella project.
- Both form and instructions must be appended to the Initial Environmental Examination for the overall project.

Revision history:

Last revised April 13, 2004, to include biosafety considerations and better reflect the Supplemental Environmental Review Form for NRM sector activities. Formatting and presentation revised 17 Jan 2005.

DELETE THIS PAGE BEFORE MODIFYING/DISTRIBUTING THIS FORM

PROGRAM/PROJECT NAME
 USAID/Mission or Bureau Name

Program logo
 here, if

Instructions for environmental review of XXX Program/Project activities



Note:

These instructions accompany the “Environmental Review Form for Program/Project Activities.”

Follow, but DO NOT SUBMIT, these instructions.

Who must submit the Environmental Review Form?

ALL implementing Partners applying to implement activities under the XXX Project must complete the “Environmental Review Form” form UNLESS the project or activity is carried out to address an emergency (e.g., international disaster assistance). *Emergencies are determined by the US Ambassador or USAID, not by the applicant.*³

Importance

The proposed activity cannot be approved and no “irreversible commitment of resources” can be made until the environmental documentation, including any mitigation measures, is approved by the Mission Environmental Officer (MEO). Approval by other authorities in USAID may also be required.

NOTE: USAID may request modifications, or reject the documentation.

If the activities are found to have significant adverse impacts, a full Environmental Assessment must be conducted. RAMP, USAID, and the applicant will confer in any such case to determine next steps.

Step 1. Provide requested “Applicant information” (Section A of the form)

Step 2. List all proposed activities

In Section B of the form, list all proposed activities. Include all phases: *planning, design, construction, operation & maintenance*. Include ancillary activities. (These are activities that are required to build or operate the primary activity. Examples include building or improving a road so that heavy vehicles can reach the project site, excavation of fill material or gravel for construction, provision of electricity, water, or sewage facilities, disposal of solid waste, etc.)

Step 3a. Screening: Identify low-risk and high-risk activities

For *each* activity you have listed in Section B of the form, refer to the list below to determine whether it is a listed low-risk or high-risk activity.

If an activity is specifically identified as “very low risk” or “high risk” in the list below, indicate this in the “screening result” column in Section B of the form.

<p>Very low-risk activities (Activities with low potential for adverse biophysical or health impacts; including §216.2(c)(2))</p>	<p>High-risk activities (Activities with high potential for adverse biophysical or health impacts; including §216.2(d)(1))</p>
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³ See 22 CFR §216.2(b)(1). Most activities carried out under emergency circumstances are considered EXEMPT from USAID environmental procedures, except for the procurement or use of pesticides

<p align="center">Very low-risk activities (Activities with low potential for adverse biophysical or health impacts; including §216.2(c)(2))</p>	<p align="center">High-risk activities (Activities with high potential for adverse biophysical or health impacts; including §216.2(d)(1))</p>
<p>Provision of education, technical assistance, or training. (Note that activities directly affecting the environment do not qualify.)</p> <p>Community awareness initiatives.</p> <p>Controlled agricultural experimentation exclusively for the purpose of research and field evaluation confined to small areas (normally under 4 ha./10 acres). This must be carefully monitored and no protected or other sensitive environmental areas may be affected).</p> <p>Technical studies and analyses and other information generation activities not involving intrusive sampling of endangered species or critical habitats.</p> <p>Document or information transfers.</p> <p>Nutrition, health care or family planning, EXCEPT when (a) some included activities could directly affect the environment (construction, water supply systems, etc.) or (b) biohazardous (esp. HIV/AIDS) waste is handled or blood is tested.</p> <p>Rehabilitation of water points for domestic household use, shallow, hand-dug wells or small water storage devices. Water points must be located where no protected or other sensitive environmental areas could be affected.</p> <p>NOTE: USAID guidance on potable water requires water quality testing for arsenic, coliform, nitrates and nitrites.</p> <p>Small-scale construction. Construction or repair of facilities if total surface area to be disturbed is under 10,000 sq. ft. (approx. 1,000 sq. m.) (and when no protected or other sensitive environmental areas could be affected).</p> <p>Intermediate credit. Support for intermediate credit arrangements (when no significant biophysical environmental impact can reasonably be expected).</p> <p>Maternal and child feeding conducted under Title II of Public Law 480.</p> <p>Title II Activities. Food for development programs under Title III of P.L. 480, when no on-the-ground biophysical interventions are likely.</p> <p>Capacity for development. Studies or programs intended to develop the capability of recipients to engage in development planning. (Does NOT include activities directly affecting the environment)</p> <p>Small-scale Natural Resource Management activities for which the answer to ALL SUPPLEMENTAL SCREENING QUESTIONS (see <i>Natural Resources supplement</i>) is "NO."</p>	<p>River basin development</p> <p>New lands development</p> <p>Planned resettlement of human populations</p> <p>Penetration road building, or rehabilitation of roads (primary, secondary, some tertiary) over 10 km length, and any roads which may pass through or near relatively undegraded forest lands or other sensitive ecological areas</p> <p>Substantial piped water supply and sewerage construction</p> <p>Major bore hole or water point construction</p> <p>Large-scale irrigation</p> <p>Water management structures such as dams and impoundments</p> <p>Drainage of wetlands or other permanently flooded areas</p> <p>Large-scale agricultural mechanization</p> <p>Agricultural land leveling</p> <p>Procurement or use of <u>restricted use</u> pesticides, or wide-area application in non-emergency conditions under non-supervised conditions. (Consult MEO.)</p> <p>Light industrial plant production or processing (e.g., sawmill operation, agro-industrial processing of forestry products, tanneries, cloth-dyeing operations).</p> <hr/> <p>High-risk and typically not funded by USAID:</p> <p>Actions affecting protected areas and species. Actions determined likely to significantly degrade protected areas, such as introduction of exotic plants or animals</p> <p>Actions determined likely to jeopardize threatened & endangered species or adversely modify their habitat (esp. wetlands, tropical forests)</p> <p>Activities in forests, including:</p> <ul style="list-style-type: none"> ▪ Conversion of forest lands to rearing of livestock ▪ Planned colonization of forest lands ▪ Procurement or use of timber harvesting equipment ▪ Commercial extractin of tiber ▪ Construction of dams or other water control structures that flood relatively undegraded forest lands ▪ Construction, upgrading or maintenance of roads that pass through relatively non-degraded forest lands. (Includes temporary haul roads for logging or other extractive industries)

(This list of activities is taken from the text of 22 CFR 216 and other applicable laws, regulations and directives)

Step 3b: Identifying activities of unknown or moderate risk.

All activities NOT identified as “very low risk” or “very high risk” are considered to be of “unknown or moderate risk.” Common examples of moderate-risk activities are given in the table below. Check “moderate or unknown risk” under screening results in Section B of the form for ALL such activities.

Common examples of moderate-risk activities	
<p>CAUTION: If ANY of the activities listed in this table may adversely impact (1) protected areas, (2) other sensitive environmental areas, or (3) threatened and endangered species and their habitat, THEY ARE NOT MODERATE RISK. All such activities are HIGH RISK ACTIVITIES.</p>	
<p>Small-scale agriculture, NRM, sanitation, etc. (You may wish to define what “small scale” means for each activity)</p> <p>Agricultural experimentation. Controlled and carefully monitored agricultural experimentation exclusively for the purpose of research and field evaluation of MORE than 4 ha.</p> <p>NOTE Biotechnology/GMOs: No <i>biotechnology testing or release</i> of any kind are to take place within an assisted country until the host countries involved have drafted and <i>approved</i> a regulatory framework governing biotechnology and biosafety.</p> <p>All USAID-funded interventions which involve biotechnologies are to be informed by the ADS 211 series governing “Biosafety Procedures for Genetic Engineering Research”. In particular this guidance details the required written approval procedures needed before transferring or releasing GE products to the field.</p> <p>Medium-scale construction. Construction or rehabilitation of facilities or structures in which the surface area to be disturbed exceeds 10,000 sq. ft (1000 sq meters) but funding level is \$200,000 or less. (E.g. small warehouses, farm packing sheds, agricultural trading posts, produce market centers, and community training centers.)</p> <p>Rural roads. Construction or rehabilitation of rural roads meeting the following criteria:</p> <ul style="list-style-type: none"> ▪ Length of road work is less than ~10 km ▪ No change in alignment or right of way ▪ Ecologically sensitive areas are at least 100 m away from the road and not affected by construction or changes in drainage. ▪ No protected areas or relatively undegraded forest are within 5 km of the road. <p>Title II & III Small-Scale Infrastructure. Food for Development programs under Title II or III, involving small-scale infrastructure with the known potential to cause environmental harm (e.g., roads, bore holes). Quantity imports of commodities such as fertilizers</p>	<p>Sampling. Technical studies and analyses or similar activities that could involve intrusive sampling, of endangered species or critical habitats. (Includes aerial sampling.)</p> <p>Water provision/storage. Construction or rehabilitation of small-scale water points or water storage devices for domestic or non-domestic use. (Covers activities NOT included under “Very low risk activities” above.)</p> <p>NOTE: USAID guidance on water quality requires testing for arsenic, nitrates, nitrites and coliform bacteria.</p> <p>Support for intermediate credit institutions when indirect environmental harm conceivably could result.</p> <p>Institutional support grants to NGOs/PVOs when the activities of the organizations are known and may reasonably have adverse environmental impact.</p> <p>Pesticides. .Small-scale use of USEPA-registered, least-toxic general-use pesticides. Use must be limited to NGO-supervised use by farmers, demonstration, training and education, or emergency assistance.</p> <p>NOTE: Environmental review (see step 5) must be carried out consistent with USAID Pesticide Procedures as required in Reg. 16 [22 CFR 216.3(b)(1)].</p> <p>Nutrition, health care or family planning, if (a) some included activities could directly affect the environment (e.g., construction, supply systems, etc.) or (b) biohazardous healthcare waste (esp. HIV/AIDS) is produced, syringes are used, or blood is tested.</p>

Step 4. Determine if you must write an Environmental Review Report

Examine the “screening results” as they are entered in Table 1 of the form.

- If ALL the activities are “very low risk,” then no further review is necessary. In Section C of the form, check the box labeled “very low risk activities.” Skip to Step 8 of these instructions.
- If ANY activities are “unknown or moderate risk,” you MUST complete an ENVIRONMENTAL REVIEW REPORT addressing these activities. Proceed to Step 5.

- If ANY activities are “high risk,” note that USAID’s regulations usually require a full environmental assessment study (EA). Because these activities are assumed to have a high probability of causing significant, adverse environmental impacts, they are closely scrutinized. *Any* proposed high-risk activity should be discussed in advance with USAID.

In some cases, it is possible that effective mitigation and monitoring can reduce or eliminate likely impacts so that a full EA will not be required. If the applicant believes this to be the case, the Environmental Review Report must argue this case clearly and thoroughly. Proceed to Step 5.

Step 5. Write the Environmental Review Report, if required

The Environmental Review Report presents the environmental issues associated with the proposed activities. It also documents mitigation and monitoring commitments. Its purpose is to allow the applicant and USAID to evaluate the likely environmental impacts of the project.

For moderate risk activities, the Environmental Review Report is typically a SHORT 2–3 page document. The Report will typically be longer when (1) activities are of higher or unknown risk, and (2) when a number of impacts and mitigation measures are being identified and discussed.

The Environmental Review Report follows the outline below:

- A. **Summary of Proposal.** Summarize background, rationale and outputs/results expected. (Reference to proposal, if appropriate).
- B. **Description of activities.** For all moderate and high-risk activities listed in Table 1 of the form, succinctly describe location, siting, surroundings (include a map, even a sketch map). Provide both quantitative and qualitative information about actions needed during all project phases and who will undertake them. (All of this information can be provided in a table). If various alternatives have been considered and rejected because the proposed activity is considered more environmentally sound, explain these.
- C. **Environmental Situation & Host Country environmental requirements.** Describe the environmental characteristics of the site(s) where the proposed activities will take place. Focus on site characteristics of concern—e.g., water supplies, animal habitat, steep slopes, etc. With regard to these critical characteristics, is the environmental situation at the site degrading, improving, or stable? In this section, also describe applicable host country environmental regulations, policies and practices.
- D. **Evaluation of Activities and Issues with Respect to Environmental Impact Potential.** Include impacts that could occur before construction starts, during construction and during operation, as well as any problems that might arise with abandoning, restoring or reusing the site at the end of the anticipated life of the facility or activity.

Explain direct, indirect, induced and cumulative effects on various components of the environment (e.g., air, water, geology, soils, vegetation, wildlife, aquatic resources, historic, archaeological or other cultural resources, people and their communities, land use, traffic, waste disposal, water supply, energy, etc.)

- E. **Environmental Mitigation Actions (including monitoring).** Provide a workplan and schedule identifying the following:

Mitigation measures. Identify the means taken to avoid, reduce or compensate for impacts. (For example, restoration of borrow or quarry areas, replanting of vegetation, compensation for any relocation of homes and residents.) If standard mitigation or best practice guidance exists and is being followed, cite this guidance.

Monitoring Indicate how mitigation measures will be monitored to ensure that they accomplish their intended result. If some impacts are uncertain, describe the monitoring which will be conducted to identify and respond to these potential impacts.

Responsible parties. Identify *who* will undertake mitigation and who will conduct the monitoring, and at what frequency.

- F. **Other Information.** Where possible and as appropriate, include photos of the site and surroundings; maps; and list the names of any reference materials or individuals consulted. (Pictures and maps of the site can substantially reduce the written description required in parts B & C)

Step 6. Based on the environmental review, reach a recommended determination for each high-risk or unknown/moderate-risk activity

For each high-risk or unknown/moderate-risk activity, the environmental review will help you decide between one of three recommended determinations:

- **no significant adverse impacts.** The activity in question will not result in significant, adverse environmental impacts. Special mitigation or monitoring is not required. Typically, this conclusion is not appropriate for high-risk activities.
- **no significant adverse impacts given specified mitigation and monitoring** With mitigation and monitoring as specified in the Environmental Review Report, the activities in question will not result in significant adverse environmental impacts.
- **significant adverse impacts.** The activities in question is likely to cause significant adverse environmental impacts and cannot be mitigated with best practices or other measures. A full environmental assessment will be required.

For each high-risk or unknown/moderate-risk activity, indicate your “recommended determination” in Section B of the form.)

Step 7: Summarize recommended determinations

In section C of the form, summarize your recommended determinations by checking ALL categories indicated in Table 1.

Step 8. Sign certifications (Section D of form)

Step 9. Submit form to USAID project officer. Attach Environmental Review Report, if any.

Program logo

here, if

PROGRAM/PROJECT NAME
 USAID/Mission or Bureau Name

17 Jan 2005



Environmental Review Form for **XXX Program** Activities

Note: Follow, but do not submit, the attached instructions.

Information

Organization	Parent grant or project
Individual contact and title	Address, phone & email (if available)
Proposed activity (brief description)	Amount of funding requested
Location of proposed activity	Start and end date of proposed activity

B. Activities, screening results, and recommended determination

Proposed activities (continue on additional page if necessary)	Screening result (Step 3 of instructions)			Recommended Determinations (Step 6 of instructions. Complete for all moderate/unknown and high-risk activities)		
	Very Low Risk	High-Risk*	Moderate or unknown risk*	No significant adverse impact	With specified mitigation, no significant adverse impact.	Significant Adverse impact
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						

*These screening results require completion of an Environmental Review Report

C. Summary of recommended determinations (check ALL that apply)

The proposal contains. . .	<i>(equivalent Regulation 216 terminology)</i>
<input type="checkbox"/> Very low risk activities	<i>categorical exclusion(s)</i>
<input type="checkbox"/> After environmental review, activities determined to have no significant adverse impacts*	<i>negative determination(s)*</i>
<input type="checkbox"/> After environmental review, activities determined to have no significant adverse impacts, given specified mitigation and monitoring*	<i>negative determination(s) with conditions*</i>
<input type="checkbox"/> After environmental review, activities determined to have significant adverse impacts*	<i>positive determination(s)*</i>

*for these determinations, the form is not complete unless accompanied by Environmental Review Report

D. Certification:

I, the undersigned, certify that:

- the information on this form is correct and complete

2. the following actions have been and will be taken to assure that the activity complies with environmental requirements established for this Project:

- Those responsible for implementing this activity have received training in environmental review AND training and/or documentation describing essential design elements and best practices for activities of this nature.
- These design elements and best practices will be followed in implementing this activity.
- Any specific mitigation or monitoring measures described in the Environmental Review Report will be implemented in their entirety.
- Compliance with these conditions will be regularly confirmed and documented by on-site inspections during the activity and at its completion.

(Signature) _____ (Date) _____

(Print name) _____

Note: if screening results for any activity are "high risk" or "moderate or unknown risk," this form is not complete unless accompanied by an environmental review report.

BELOW THIS LINE FOR USAID USE ONLY

Clearance record

USAID Project Officer <input type="checkbox"/> Clearance given <input type="checkbox"/> Clearance denied	(print name)	(signature)	(date)
USAID MEO <input type="checkbox"/> Clearance given <input type="checkbox"/> Clearance denied	(print name)	(signature)	(date)
USAID REO <input type="checkbox"/> Clearance given <input type="checkbox"/> Clearance denied	(print name)	(signature)	(date)
USAID BEO* <input type="checkbox"/> Clearance given <input type="checkbox"/> Clearance denied	(print name)	(signature)	(date)

* BEO approval required for all "high risk" screening results and for determinations of "significant adverse impacts"

Note: if clearance is denied, comments must be provided to applicant (use space below & attach sheets if necessary)

Note to individuals adapting the:

*** Supplemental Environmental Review Form for NRM Activities
for use on a particular program/activity:**

- This supplement is oriented around major resource/issue clusters and asks “leading questions” about the actual potential for unintended harmful impacts, especially of CBNRM/ ecotourism activities.
- **Underlined & blue** highlighted text **MUST** be modified to reflect project and mission name
- Questions should be modified to respond to the needs of individual projects. This is intended to be a “living” document subject to adaptation.

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17 Jan 2005



supplement to the Environmental Review Form
for Natural Resources Activities
Additional Screening Criteria for
Natural Resource Activities under XXX Program

Purpose

This is a supplement to the “Instructions for environmental review of XXX Program/Project activities.” It is to be used for natural *resources-based activities*, including:

- Community-Based Natural Resource Management (CBNRM)
- Ecotourism
- Natural resources-based enterprise development with micro- and small enterprises

This supplement provides additional questions to ascertain whether these proposed activities should be categorized as “very low risk:”

- If the answers to ALL the questions that follow are “NO,” then the proposed natural resource-based activity is considered “very low risk.”
- If the answer to ANY question is “YES,” the activity CANNOT be considered “very low risk.”

Screening criteria

Will the activities...	YES	NO
Natural Resources		
Accelerate erosion by water or wind?		
Reduce soil fertility and/or permeability?		
Alter existing stream flow, reduce seasonal availability of water resources?		
Potentially contaminate surface water and groundwater supplies?		
Involve the extraction of renewable natural resources?		
Lead to unsustainable use of renewable natural resources such as forest products?		
Involve the extraction of non-renewable natural resources?		
Restrict customary access to natural resources?		
Reduce local air quality through generating dust, burning of wastes or using fossil fuels and other materials in improperly ventilated areas?		

Will the activities...	YES	NO
Affect dry-season grazing areas and/or lead to restricted access to a common resource?		
Lead to unsustainable or unnecessarily high water extraction and/or wasteful use?		
Ecosystems and Biodiversity		
Drain wetlands, or be sited on floodplains?		
Harvest wetland plant materials or utilize sediments of bodies of water?		
Lead to the clearing of forestlands for agriculture, the over-harvesting of valuable forest species?		
Promote in-forest bee keeping?		
Lead to increased hunting, or the collection of animals or plant materials?		
Increase the risks to endangered or threatened species?		
Introduce new exotic species of plants or animals to the area?		
Lead to road construction or rehabilitation, or otherwise facilitate access to fragile areas (natural woodlands, wetlands, erosion-prone areas)?		
Cause disruption of wildlife migratory routes?		
Agricultural and Forestry Production		
Have an impact on existing or traditional agricultural production systems by reducing seed availability or reallocating land for other purposes?		
Lead to forest plantation harvesting without replanting, the burning of pastureland, or a reduction in fallow periods?		
Affect existing food storage capacities by reducing food inventories or encouraging the incidence of pests?		
Affect domestic livestock by reducing grazing areas, or creating conditions where livestock disease problems could be exacerbated?		
Involve the use of insecticides, herbicides and/or other pesticides?		
Community and Social Issues		
Have a negative impact on potable water supplies?		
Encourage domestic animal migration through natural areas?		
Change the existing land tenure system?		
Have a negative impact on culturally important sites in the community?		
Increase in-migration to the area?		

Will the activities...	YES	NO
Create conditions that lead to a reduction in community health standards?		
Lead to the generation of non-biodegradable waste?		
Involve the relocation of the local community?		
Potentially cause or aggravate land-use conflicts?		

Date:

[Faint, illegible text and markings on the form, possibly bleed-through from the reverse side.]