Office of Afghanistan & Pakistan Affairs (OAPA)

INITIAL ENVIRONMENTAL EXAMINATION

Amendment 1

PROGRAM/ACTIVITY DATA

Country Code: 306
Program Area: ODG
Assistance Objective: Improved performance and accountability of governance
Intermediate Results: Municipal governance strengthened to meet citizen priorities and needs in service delivery
Country or Region: Afghanistan
Activity Name: SHAHAR
Funding Period: November 2014 to November 29, 2017
Life of Project Amount: $46 million
IEE Prepared by: Masood Ferhamand
Date: 4/23/2017
IEE Amendment (Y/N): Y - Original IEE for Sub National Governance Program (SNGP), OAPA-13-MAR-AFG-0030, approved by BEO on 3/25/2013; SNGP is comprised of SHAHAR and ISLA, see Note to File, 8/15/2013

ENVIRONMENTAL ACTION RECOMMENDED:

Categorical Exclusion [X] Deferral [ ]
Positive Determination [ ] Negative Determination [ ]
Negative Determination With Conditions [X] Exemption [ ]

1.0 PURPOSE, BACKGROUND AND ACTIVITY DESCRIPTION

1.1. Purpose and Background

The original IEE for the Sub National Governance Program, tracking number OAPA-13-MAR-AFG-0030, covers two components, SHAHAR and ISLA. The purpose of this Amendment to the IEE for SNGP which addresses only the SHAHAR component is to:

1. Document the extension of the end date of SHAHAR from 12/31/2018 (as stated on the original IEE for SNGP) to 11/29/2017;
2. Document the decrease Life of Project funds for SHAHAR with $73 million to $46 million;
3. Remove small-scale municipality infrastructure rehabilitation and construction from the Scope of Work and withdraw the associated Negative Determination with Condition;
4. Remove large-scale waste management design and construction from the Scope of Work and withdraw the associated Positive Determination Threshold Decision.
5. Provide a Threshold Decision for and clarify the nature and scope of the additional activity 'Enhanced and extended support for the development of the Municipal Detailed Plans of all Y3 partner municipalities' which will include development of Solid Waste Management Plans, including siting of trash collection points.

There are no other changes except what is stated above. All conditions, limitations and the stipulation for revisions established in the original IEE that are not amended in this IEE Amendment remain in force throughout the life of project (LOP).

1.2. Lessons Learned

A total of 46 sub-activity environmental reviews for small scale municipality construction activities have been submitted by SHAHAR and approved by Mission Environmental Officer. An Environmental Manual was approved by the MEO on 12/6/2015. All infrastructure activities have been conducted in an environmentally sound manner in a manner consistent with required mitigation measures.

1.3. Activity Description

The following activities have been deleted:

- Training for the use of garbage collection trucks, trash bins, shovels, paving equipment, etc.
- Providing technical assistance in improving accounting and financial systems, financial forecasting, and registries to assist municipalities to increase revenue
- Building rehabilitation and construction
- Solid waste collection and disposal
- Construction of municipal waste transfer stations
- Maintenance, repair, and rehabilitation of other municipal infrastructure
- Small to moderate scale road rehabilitation, including Drainage ditches and systems, footpaths and public parks.
- Construction of sanitary landfills and sedimentation ponds
- Provide office equipment, including IT equipment, generators, copiers, office furniture, trucks, trash bins, etc.

The de-scoped SHAHAR program consists of the following:

Component A – Assistance to Deputy Ministry of Municipalities (DMM)

- Enhanced and extended capacity development of Deputy Ministry of Municipalities staff.
- Pilot testing of a scaled-down version of the Municipal Development Fund, possibly matching certain of the incentive grants President Ghani has recently awarded to higher performing municipalities, and assisting DMM, Independent Directorate of Local Governance and the Ministry of Finance in developing a mechanism for the disbursement and expenditure of such funds that would also serve as the foundation for a future MDF on a much larger scale.
• In collaboration with other donors and implementing partners, SHAHAR will support DMM in integrating the various capacity building plans that have been developed for the Deputy Ministry in recent years.

• Enhanced and extended support will be provided to DMM in relation to the establishment of the Afghanistan Municipal Union, thereby, increasing the probability that it will be formed and become self-reliant, in that it will not require ongoing donor funding to sustain itself.

• Completion of the Municipal Governance Capacity Index end-line assessment for the Y3 partner municipalities and submission of individual municipality end-line reports and a consolidated end-line summary report. Although the MGCI baseline and midline assessments and report were performed by former SHAHAR partner Assess Transform Reach (ATR), but USAID believes the implementing partner can conduct the end-line assessment and prepare the end-line reports itself, with the assistance of an STTA for this purpose.

• Completion of an end-line citizen perception survey (CPS), using a scaled down version of the survey instrument used for the baseline survey performed by former SHAHAR partner Rahman Safi International (RSI), also with the assistance of an STTA for this purpose (possibly the same STTA for the MGCI end-line assessment).

Component B – Assistance to Mayors and Municipal Administrations

• Re-deploying embedded advisors in up to four restored partner municipalities agreed upon by USAID, DMM and SHAHAR. The number of embedded advisors may vary from municipality to municipality, depending upon the size and capacity development needs of each municipality, the range of program activities that are restored and/or expanded by the cost extension, and each municipality’s demonstrated commitment to implement and sustain program interventions. SHAHAR will also review the number of embedded advisors working in the Mazar-e-Sharif and Kandahar regional hub municipalities to ensure each is staffed at an optimal level.

• The establishment of a Citizen Service Center in each restored municipality and enhanced and extended capacity development and technical assistance for CSC staff in all Y3 municipalities to ensure their ability to operate and sustain the CSC in a self-reliant manner following the closedown of the SHAHAR program.

• Enhanced and extended capacity development and technical assistance for municipal staff to enable them to become self-reliant in operating and maintaining IFMS at the municipal level. In addition to its business licensing, parcel registration and Safayi tax billing and collection functions, SHAHAR will also operationalize IFMS’ accounting, budgeting and payroll functions in each Y3 partner municipality and provide technical assistance and on-the-job training for their implementation.

• Implementation of a second round of the internship program, targeting an additional 150 interns, with a minimum of 75% being female.

• Production and broadcasting of an additional four episodes of the Shir Sultan video series, supplemented with the use of community theater groups and the distribution of coloring books in schools.
- Extension of municipal addressing system to all restored partner municipalities.
- Enhanced and extended support for the development of the Municipal Detailed Plans of all Y3 partner municipalities which will include development of Solid Waste Management Plans, including siting of trash collection points.
- Enhanced and extended support in updating and implementing the Y3 partner municipalities’ municipality-wide, departmental-level and individual capacity building plans.
- Enhanced and extended support and technical assistance to structure and implement additional Public Private Partnerships, focusing on those that serve to implement proposed projects included in the Y3 partner municipalities’ Economic Development Plans.
- Enhanced and extended support for the continued implementation of Action Strategies for Participation of Women and Youth in Municipal Governance and Municipal Gender Mainstreaming Action Plans, including expanded implementation of School Municipality Committees.
- Enhanced and extended support for the implementation of the Y3 partner municipalities’ Strategic Communications Plans.

Component C – Support to Municipal Advisory Boards (MAB[s])

- Establishment of the South and East Regional Municipal Advisory Board Networks and Women MAB Members’ Networks and enhanced and extended support for all four of the MAB Networks and Women MAB Members’ Networks.
- Enhanced and extended support to the Y3 partner municipalities’ MABs in updating and implementing their capacity building plans and in more effectively engaging and involving citizens in municipal affairs.

2.0 RECOMMENDED THRESHOLD DECISIONS AND MITIGATION ACTIONS

Below are the recommended actions for the activities described above, their impacts on the environment and recommended Threshold Determinations and Conditions, if any:

<table>
<thead>
<tr>
<th>Component</th>
<th>Activity</th>
<th>Effects on natural or physical environment</th>
<th>Recommended Threshold Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component A: Assistance to Deputy Ministry of Municipalities (DMM)</td>
<td>Enhanced and extended capacity development of Deputy Ministry of Municipalities staff to enable them to operate and maintain the functionality of the IFMS National Hub.</td>
<td>No effect on the natural or physical environment</td>
<td>Categorical Exclusions, no action required per 22 CFR 216.2(c)(2)(i), (iii), (v) and (xiv)</td>
</tr>
<tr>
<td></td>
<td>Pilot testing of a scaled-down version of the Municipal Development Fund (this is not a Grants program).</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>In collaboration with other donors, SHAHAR will support DMM in integrating the various capacity building plans that have been developed for the Deputy Ministry in recent years.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component B: Assistance to Mayors and Municipal Administrations</td>
<td>Enhanced and extended support will be provided to DMM in relation to the establishment of the Afghanistan Municipal Union.</td>
<td>Completion of the Municipal Governance Capacity Index end-line assessment for the Y3 partner municipalities and submission of individual municipality end-line reports and a consolidated end-line summary report.</td>
<td>Completion of an end-line citizen perception survey (CPS).</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Component B: Assistance to Mayors and Municipal Administrations</td>
<td>Re-deploying embedded advisors in up to four restored partner municipalities agreed upon by USAID, DMM and SHAHAR.</td>
<td>To establish a Citizen Service Center in each restored municipality.</td>
<td>No effect on the natural or physical environment</td>
</tr>
<tr>
<td>Component B: Assistance to Mayors and Municipal Administrations</td>
<td>Enhanced and extended capacity development and technical assistance for municipal staff to enable them to become self-reliant in operating and maintaining IFMS at the municipal level.</td>
<td>Implementation of a second round of the internship program.</td>
<td>Categorical Exclusions, no action required per 22 CFR 216.2(c)(2)(i), (iii), (v) and (xiv)</td>
</tr>
<tr>
<td>Component B: Assistance to Mayors and Municipal Administrations</td>
<td>Production and broadcasting of an additional four episodes of the Shir Sultan video series.</td>
<td>Extension of municipal addressing to all restored partner municipalities.</td>
<td></td>
</tr>
<tr>
<td>Component B: Assistance to Mayors and Municipal Administrations</td>
<td>Enhanced and extended support in updating and implementing the Y3 partner municipalities’ municipality-wide, departmental-level and individual capacity building plans.</td>
<td>Enhanced and extended support and technical assistance to structure and implement additional Public Private Partnerships, focusing on those that serve to implement proposed projects included in the Y3 partner municipalities’ Economic Development Plans.</td>
<td></td>
</tr>
<tr>
<td>Component B: Assistance to Mayors and Municipal Administrations</td>
<td>Enhanced and extended support for the continued implementation of Action Strategies for Participation of Women and Youth in Municipal Governance.</td>
<td>Enhanced and extended support for the implementation of the Y3 partner municipalities’ Strategic Communications Plans.</td>
<td></td>
</tr>
<tr>
<td>Mayors and Municipal Administrations</td>
<td>Enhanced and extended support for the development of the Municipal Detailed Plans of all Y3 partner municipalities which will include development of Solid Waste Management Plans, including siting of trash collection points.</td>
<td>Potential impact on environment if Conditions not adhered to</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>Mayors and Municipal Administrations</td>
<td><strong>Conditions:</strong> MEO shall review Municipal Detailed Plans to ensure that guidance provided in the plan is in accordance with environmental best practices.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
practices as stipulated in the Environmental Manual approved by the MEO on 12/6/2015.

No design or construction of landfills or other waste management infrastructure will be done. No garbage pick-up vehicles or other types of transportation or services related to waste management will be funded.

Municipal Detailed Plans shall be reviewed by the National Environmental Protection Agency (NEPA) of Afghanistan.

Component C: Support to Municipal Advisory Boards (MABs)

- Establishment of the South and East Regional Municipal Advisory Board Networks and Women MAB Members' Networks and enhanced and extended support for all four of the MAB Networks and Women MAB Members' Networks.
- Enhanced and extended support to the Y3 partner municipalities’ MABs in updating and implementing their capacity building plans and in more effectively engaging and involving citizens in municipal affairs.

No effect on the natural or physical environment

Categorical Exclusions, no action required per 22 CFR 216.2(c)(2)(i), (ii), (v) and (xiv)

Table 1. Proposed activities and recommended threshold decisions for the SHAHAR program.

3.0 ENVIRONMENTAL RECOMMENDATIONS

Recommended Action: Categorical Exclusions (98.37 % of funding)

SHAHAR activities for Assistance to Deputy Ministry of Municipalities (DMM), Assistance to Mayors and Municipal Administrations and Support to Municipal Advisory Boards (MABs) that do not have an effect on the natural and physical environment fit within the categories listed in 22 CFR 216.2 (c)(2) and are categorically excluded from any further environmental review requirements. The originator of the proposed action has determined that the proposed activities are within the following classes of actions:

- Education, technical assistance, or training programs, except to the extent such programs include activities directly affecting the environment (such as construction of facilities, etc.). [22 CFR 216.2(c)(2)(i)];
- Analyses, studies, academic or research workshops and meetings. [22 CFR 216.2(c)(2)(iii)];
- Document and information transfers. [22 CFR 216.2(c)(2)(v)]; and
- Studies, projects or programs intended to develop the capability of recipient countries to engage in development planning, except to the extent designed to result
in activities directly affecting the environment (such as construction of facilities, etc.). [22 CFR 216.2(c)(2)(xiv)].

**Recommended Action: Negative Determination with Conditions ($750,000 or 1.63% of total SHAHAR funding)**

A negative determination with conditions is recommended for enhanced and extended support for the development of the Municipal Detailed Plans of all Y3 partner municipalities' which will include development of Solid Waste Management Plans, including siting of trash collection points. per 22 CFR 216.3(a)(2)(iii).

MEO shall review Municipal Detailed Plans to ensure that guidance provided in the plan is in accordance with environmental best practices as stipulated in the Environmental Manual approved by the MEO on 12/6/2015. No design or construction of landfills or other waste management infrastructure will be done. No garbage pick-up vehicles or other types of transportation or services related to waste management will be funded.

Municipal Detailed Plans shall be reviewed by the National Environmental Protection Agency (NEPA) of Afghanistan to ensure that it is in accordance with Afghan environmental law and regulations.

**4.0 REVISIONS**

Pursuant to 22 CFR 216.3(a)(9), if new information becomes available which indicates that activities to be funded by the project might be “major” and the project’s effect “significant,” or if additional activities are proposed that might be considered “major” and their effects significant, this IEE Amendment will be reviewed and revised by the originator of the project and submitted to the BEO/OAPA for approval and, if appropriate, an environmental assessment will be prepared. It is the responsibility of the USAID COR/AOR to keep the Mission Environmental Officer, USAID/Afghanistan and the BEO/OAPA informed of any new information or changes in scope and nature of the activity that might require revision of the IEE.
# APPROVAL OF RECOMMENDED ENVIRONMENTAL ACTIONS

**IEE Amendment 1, SHAHAR (under SNGP)**

<table>
<thead>
<tr>
<th>Role</th>
<th>Clearances</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting Officer Representative</td>
<td>Masood Ferhamand</td>
<td></td>
</tr>
<tr>
<td>Deputy Office Director, ODG</td>
<td>Scott Hedlund</td>
<td></td>
</tr>
<tr>
<td>Mission Environmental Officer</td>
<td>Harry Bottenberg</td>
<td></td>
</tr>
<tr>
<td>Regional Environmental Advisor/ SCA &amp; OAPA</td>
<td>Andrei Barannik</td>
<td></td>
</tr>
<tr>
<td>Resident Legal Officer</td>
<td>Maram Talaat</td>
<td></td>
</tr>
<tr>
<td>Deputy Mission Director</td>
<td>Tamra Halmrast-Sanchez</td>
<td></td>
</tr>
<tr>
<td>Mission Director</td>
<td>Herbert Smith</td>
<td></td>
</tr>
<tr>
<td>Bureau Environmental Officer/OAPA</td>
<td>Gordon Weynand</td>
<td></td>
</tr>
</tbody>
</table>

**DISTRIBUTION:** MEO, COR/AOR, OAA, RLO
APPROVAL OF RECOMMENDED ENVIRONMENTAL ACTIONS

IEE Amendment 1, SHAHAR (under SNGP)

Contracting Officer Representative

Clearances: Masood Fernamand

Date: 4/27/2017

Deputy Office Director, ODG

Scott Hedlund

Date: 4/27/2017

Mission Environmental Officer

Harry Bottenberg

Date: 4/27/2017

Regional Environmental Advisor SCA & OAPA

Andrei Barannik

Date: 4/27/2017

Resident Legal Officer

Maram Talaat

Date: 4/27/2017

Deputy Mission Director

Greg Butler

Date: 4/27/2017

Mission Director

Herbert Smith

Date: 4/27/2017

Bureau Environmental Officer/OAPA

Gordon Weynand

Date: 5/1/17

Concurrence: Gordon Weynand

Date: 5/1/17

DCN: OAPA-17- MAY- AFG-0022

DISTRIBUTION: MEO, COR/AOR, OAA, RLO