Office of Afghanistan & Pakistan Affairs (OAPA)

INITIAL ENVIRONMENTAL EXAMINATION

Amendment 2

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: Strong Hubs for Afghan People and Resilience (SHAHAR)
Funding Period: November 2014 to November 29, 2019
Life of Project Amount: $62 million
IEE Prepared by: Masood Ferhamand
Date: 11/05/2017
IEE Amendment (Y/N): Y – IEE Amendment 1, OAPA-17-MAY-AFG-0022, approved by BEO on 5/1/2017; Original IEE for Sub National Governance Program (SNGP), OAPA-13-MAR-AFG-0030, approved by BEO on 3/25/2013;

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

IEE Amendment 1 for SHAHAR (OAPA-17-MAY-AFG-0022) was approved by the BEO on May 1, 2017 to document a number of changes to the program that resulted from a decrease in funding. Since then, new funds have become available and plans have been made to expand the program. Therefore the purpose of the 2nd amendment to the IEE for SHAHAR is to:

1. Document the increase in Total Estimated Cost (TEC) of the activity from $46 million to $62 million;
2. Document the extension to November 29, 2019
3. Document inclusion of Kabul Municipality as a new SHAHAR’s government counterpart;
4. Document reduction of SHAHAR partner municipalities from 16 to 5 biggest Afghan municipalities.
There are no other changes except what is stated above. All conditions, limitations and the stipulation for revisions established in the original IEE and IEE Amendment 1 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. Experiences and lessons learned from other projects such as the USAID-funded Regional Afghan Municipalities Program for Urban Populations (RAMP UP) and Kabul City Initiative (KCI) shall be considered by SHAHAR.

The current SHAHAR program consists of the following:

Component A, B and C have been completed. Under these components the project was able to strengthen the capacity of the Independent Directorate of Local Governance under the Deputy Ministry of Municipal Affairs (IDLG/DMM) to undertake rigorous financial management analyses, which resulted in a significant increase in the revenue collection of partner municipalities. At the same time, the Municipal Advisory Boards (MABs) have been able to hold their regular meetings and solicit the citizens’ priorities in an attempt to channel them to the leadership of partner municipalities.

The remaining components are:

**Component D**: Assistance to Deputy Ministry of Municipalities (DMM) and Kabul Municipality

**Component E**: Assistance to Mayors and Municipal Administrations

**Component F**: Support to Municipal Advisory Boards (MAB[s])

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, for the activities under the remaining Components D, E and F:

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

<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><strong>Component D</strong>:</td>
<td>1. Operationalizing the Legal and Policy Module and Performance Measurement Databank Module: During Y 4 and Y5, SHAHAR will continue to support</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>Ministry of Municipalities (DMM)</td>
<td>operationalization of the above mentioned modules.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------</td>
<td>--------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Installation of DMM Integrated Financial Management System (IFMS Unit). SHAHAR will support implementation of a dedicated IMFS Unit within IDLG.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Large Municipality Municipal Governance Capacity Index MGCI: SHAHAR will designed and implement a customized MGCI assessment for the Kabul Municipality.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Baseline Assessment: KM and DMM will be supported in conducting a baseline assessment using the end product of the MGCI.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Second Assessment: KM and DMM will be supported to conduct the second assessment which aims to assess the extent of their capacity improvement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Mobile Training Teams (MTTs): DMM will be supported to establish a MTT to provide training to SHAHAR partner municipalities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>IFMS Hub Case Management System: SHAHAR will develop and install a computerized case management system which will provide DMM and KM the ability to track individual messages, and requests.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</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>9.</td>
<td>Enhanced and extended support will be provided to DMM in relation to the establishment of the Afghanistan Municipal Union.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</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></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>DMM Embedded Advisors: SHAHAR will provide 6 embedded advisors for DMM to provide technical assistance on various areas.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Afghanistan Municipalities Union (AMU): The project will continue to support DMM in Y4 and Y5 to establish the Afghanistan Municipalities Union.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Incorporating an advocacy activity in conjunction with the MDF pilot project.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Develop an online solutions exchange network for the sharing of both problems and solutions and integrating the network into IFMS.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>National Mayors' Conferences: SHAHAR.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
16. Integrated Financial Management System (IFMS) feasibility study: To support the partner municipalities, especially KM, SHAHAR will conduct a feasibility assessment.
17. Strategic Communications Plan: The project will develop a strategic communication plan for each partner municipality.
18. Community Outreach: SHAHAR will provide technical assistance to develop public awareness campaigns.
19. Revenue Generation: Technical assistance will be provided to partner municipalities to develop Revenue Generation Plans.
20. Public Private Partnerships (PPP): Technical support will be provided to partner municipalities to come up with PPP plans.

**Component E:**

<table>
<thead>
<tr>
<th>Assistance to Mayors and Municipal Administrations</th>
<th>No effect on the natural or physical environment</th>
<th>Categorical Exclusions, no action required per 22 CFR 216.2(c)(2)(i), (iii), (v) and (xiv)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. PPP Manual: SHAHAR will recruit a STTA to develop a PPP manual for partner municipalities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The Contractor will continue to assist the PPP units/committees: SHAHAR will support the established PPP units in partner municipalities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Economic Development Plans: SHAHAR will assist partner municipalities to update and/or develop a new economic development plan.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Regional Learning Hubs: SHAHAR will ensure the outlaying provincial capitals and districts benefit from the technical assistance as well.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Baseline Assessment: In order to gauge the capacity need and improvement of the four regional hubs, the contractor will assist DMM to conduct an MGCI assessment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Capacity Building Plans: Following completion of the MGCI assessment, the project will assist the partner municipalities to develop capacity building plans.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Standard Operating Procedures: The project will assist DMM to develop SOPs to serve as guidelines on how the partner municipalities should function.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Gender Mainstreaming Action Plans: SHAHAR will provide the necessary technical assistance to ensure the partner municipalities continue to annually update and implement their Gender Mainstreaming Action Plans.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Gender and Family Friendly Municipality Designation: The Contractor will develop and implement a program for incentivizing and designating Gender and Family Friendly Municipalities, including the</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
development, standards and guidelines for attaining designation as a Gender and Family Friendly Municipality.

10. Network of Afghan Women In Governance: The project aims to assist IDLG/DMM to support the women at the sub-national level to advocate for their social and economic rights.

11. Strategic Communications Plans: The implementing partner will develop strategic communications plans for four regional hubs/municipalities.

12. Network of IFMS Practitioners: To ensure the partner municipalities will have the capabilities to maintain the operation of IFMS after the close of the project, SHAHAR will support establishment of a Network of IFMS Practitioners.

13. Support to CSCs: The project will ensure the CSCs have the needed technical capacity to provide the full range of services that are needed to customers.

14. Internship program: The project will place an additional 150 interns per year to partner municipalities.

15. Revenue Generation Action Plans (RGAPs): The project will provide technical assistance to partner municipalities to upgrade their RGAPS annually.

16. Street addressing and house numbering: The project will implement street addressing and house numbering in all partner municipalities.

17. Network of Municipal Revenue Officials: The project will continue to support Network of Municipal Revenue Officials.

18. Network of Municipal Finance, Budget and Procurement Officials: The project will continue to support the Network of Municipal Finance, Budget and Procurement Officials.

<table>
<thead>
<tr>
<th>Component D: Support to Mayors and Municipal Administrations</th>
<th>Potential impact on environment if Conditions not adhered to</th>
<th>Negative Determination with Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Municipal Development Fund (MDF) Pilot Project: SHAHAR will dedicate a very limited amount of fund for implementation of a pilot based MDF</td>
<td></td>
<td>Conditions: MEO shall review Municipal Detailed Plans and Land Fill Development Manual 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.</td>
</tr>
<tr>
<td>2- IFMS implementation: The project will support implementation of IFMS in Kabul Municipality.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3- Citizen Service Center: The project will support implementation of CSC in Kabul Municipality.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4- School Municipality Committees (SMCs): The project will continue to support the School Municipality Committees.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5- Solid Waste Management Plans: The project will provide technical assistance to four regional hubs to update their Solid Waste Management Plans. This will</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
include a Land Fill Development Manual for municipalities on applying national environmental standards as per Afghanistan's Environmental Policy to waste management. NOTE: this will not constitute a design but rather the methods and standards to be adhered to in developing designs.

6- Public awareness campaigns: The project will support the nation-wide cleaning and greening campaign.

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

<table>
<thead>
<tr>
<th>Component F: Support to Municipal Advisory Boards (MAB[s])</th>
<th>1- MAB Capacity Building Plans: The contractor will continue to provide support to develop and implement capacity building plans for MABs</th>
<th>No effect on the natural or physical environment</th>
<th>Categorical Exclusions, no action required per 22 CFR 216.2(c)(2)(i), (iii), (v) and (xiv)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2- Citizen monitoring: The project will develop citizen report cards for MABs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3- MAB Networks: The project will support the network of MABs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.0 ENVIRONMENTAL RECOMMENDATIONS

Recommended Action: Categorical Exclusions (99.875% 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 ($20,000 or 0.125% 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). Note that there will be no construction or design of landfills or funding for garbage pickup trucks.

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.

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 2, Strong Hubs for Afghan People and Resilience (SHAHAR)

Contracting Officer Representative
Masood Ferhatand

Office Director, ODG
Scott Hedlund

Mission Environmental Officer
Harry Bottenberg

Regional Environmental Advisor
SCA & OAPA
Andrei Barannik

cleared by email

Resident Legal Officer
Kelly Mack

Deputy Mission Director
Tania Hafroest-Sanchez

Mission Director
Herbert Smith

Bureau Environmental Officer/OAPA
Christopher Payne

DISTRIBUTION: MEO, COR/AOR, OAA, RLO
Re: URGENT - for REA review: SHAHAR IEE Amendment 2

1 message

To: Andrei Barannik <abarannik@usaid.gov>
Cc: Mohammad Ismail Ibrahimii <miibrahimi@usaid.gov>, Masood Ferhamand <mferhamand@usaid.gov>

Thanks, Andrei. with your clearance, we are starting mission clearances today and hope to send to BEO Chris by COB.

Regarding your comments, #1 has been addressed in Table 1 under Conditions for Component D; comment #2 is also addressed under Component D, item 5 (Solid Waste Management Plans). I have added a clarification that the Plans will not constitute a design but rather the methods and standards to be adhered to in developing designs.

Finally, to address comment #3 I have added some text under section 1.2 (Lessons Learned) that experiences from RAMP UP and KCI shall be considered by SHAHAR. I have already shared relevant EMMPs with the COR.

On Mon, Nov 6, 2017 at 7:03 PM, Andrei Barannik <abarannik@usaid.gov> wrote:

Harry - reviewed - three comments:

1) all docs, like manuals (and SOWs do develop these) shall be reviewed and approved by COR & MEO,
2) I did not see any effort to build municipalities capabilities to handle growing environmental, waste, water, etc. issues related to the on-going and unregulated growth,
3) adding Kabul municipality - one may need to explain what has been achieved under previous USAID-funded activity and how a new one will build upon it, including noting help from other donors

Finally, I never heard of a term "Deputy Ministry of. . ." see Component D - someone has to do editing.

With this I clear. Pls ask COR to have it duly signed in the Mission and send it to Chris Payne, BEO/OAPA (cced Annalie) for his review and approval.

W/r, Andrei

On Sun, Nov 5, 2017 at 11:49 PM, Harry Bottenberg <hbottenberg@usaid.gov> wrote:

Andrei, pls see attached for your review, SHAHAR IEE Amendment 2.

I clear as MEO.

We will start mission clearances until you have cleared.

harry

On Sun, Nov 5, 2017 at 12:31 PM, Masood Ferhamand <mferhamand@usaid.gov> wrote:

Thank you Harry. I will begin circulating the IEE for clearances.