# Program/Project/Activity Data

<table>
<thead>
<tr>
<th>Activity/Project Name:</th>
<th>The USAID Agriculture Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistance Objective:</td>
<td>DO 2. Inclusive and Sustainable Economic Growth</td>
</tr>
<tr>
<td>Program Area:</td>
<td>IR 2.2. Increase Competitiveness and Employment Generation in Targeted Sectors</td>
</tr>
<tr>
<td>Country(ies) and/or Operating Unit:</td>
<td>Georgia</td>
</tr>
<tr>
<td>Originating Office:</td>
<td>Office of Economic Growth</td>
</tr>
<tr>
<td>Date:</td>
<td>2/23/18</td>
</tr>
<tr>
<td>PAD Level IEE:</td>
<td>Yes ☑ No ×</td>
</tr>
<tr>
<td>Supplemental IEE:</td>
<td>Yes ☑ No ×</td>
</tr>
<tr>
<td>RCE/IEE Amendment:</td>
<td>Yes ☑ No ×</td>
</tr>
</tbody>
</table>

**If Yes, Purpose of Amendment (AMD):**

**DCN(s) of All Related EA/IEE/RCE/ER(s):**

DCN 2017-GEO-022 (PERSUAP)

**Implementation Start/End:**

LOP: FY2018 - FY 2023

**Funding Amount:**

LOP Amount: $20,500,000

**Contract/Award Number (if known):**


## Recommended Environmental Determination:

- **Categorical Exclusion:** ☑
- **Positive Determination:** ☐
- **Negative Determination:** ☑
- **Deferral:** ☐

## Additional Elements:

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

### 1. Background and Project Description

#### 1.1. Purpose and Scope of IEE

The purpose of the IEE is to cover USAID’s new Agriculture Program. The purpose of this activity is to accelerate growth of agricultural sub-sectors that show strong potential to create jobs and increase micro, small, and medium enterprises (MSMEs) revenues, including the production and processing of fruits, vegetables, herbs, and other high-value horticultural products.

#### 1.2. Project Overview and description

The program will achieve these goals by increasing productivity and productive capacity; building capacity to add value through processing, storage, and other techniques; improving enterprises’ abilities to meet international standards; strengthening linkages within value chains as well as to new markets; strengthening the capacity of cooperatives, extension and other service providers, associations, and other relevant organizations.
To meet the goals and objectives of The USAID Agriculture Program, activity interventions must flexible and responsive to changing market conditions and other exogenous factors. In case of rapidly changing market conditions and new opportunities, the activity may need to change sub-sector(s) in order to promote increased employment and economic competitiveness. In case of unexpected shocks that threaten investments in priority sub-sector(s), such as pests, natural disaster, or other threats, the program may need to adapt its interventions to respond to such shocks. The program must also identify and mitigate risks posed to the environment by activity interventions and, as appropriate, encourage the adoption of environmentally-sound techniques to manage pests and unwanted vegetation. Where appropriate, the program will also support agricultural approaches to create healthier, more resilient ecosystems.

The activity has 2 components:

1.2.1. Component 1 – Cost-share grants to MSMEs, cooperatives, service/information/extension providers and associations

Under this component, the activity will design and implement a competitive cost-share grants program for MSMEs, including producers, processors, service providers, and cooperatives and associations, with detailed, transparent selection criteria. These cost-share grants will be targeted to address identified caps in value chains. Grants and related TA can be used to increase MSME productivity and productive capacity, improve MSMEs’ ability to meet international standards and certifications, build market linkages within value chains, and create linkages to new markets.

The aggregate amount of grants allocated under this component is $6 million. Grants will be allocated to at least 100 MSMEs, cooperatives, service/information/extension providers and/or associations. Grants provided to MSMEs will not exceed 40% of the total estimated cash investment required for a new business start-up or the expansion of an existing business. Loans may be used to meet matching requirements, however in-kind contributions will not be considered. The maximum grant size to each SME will be $75,000. Grants provided to cooperatives and associations will not exceed 70% of the total estimated cash investment required to improve and/or expand operations. Loans and in-kind contributions may be used to meet matching requirements. The maximum grant size to each cooperative will be $75,000. Potential grant recipients must include, but are not limited to, the following:

- Primary agricultural producers and producer cooperatives
- Service/information/extension providers and business/sector associations
- Storage, consolidation, processing, and packaging enterprises and cooperatives

1.2.2. Component 2 – Technical assistance to SMEs, cooperatives, service/information/extension providers and associations

Under this component, the activity will provide demand-driven TA to cost-share grant beneficiaries as well as non-grant beneficiaries. The activity will provide TA to cost-share grant beneficiaries as needed to ensure that the objectives of the grants are met. In addition, the activity will deliver TA to non-grant recipients in ways that support value chain gaps.

Component 2 includes the following activities:

2.1 Assist with developing and or updating business plans, financial plans, and/or market assessments
2.2 Train producers and MSMEs on business management and operation practices and skills
2.3 Train MSME on operation and maintenance of equipment and/or facilities
2.4 Facilitate the development and capacity building of business/sector associations (e.g., working with grant recipients to form industry or sector specific associations)
2.5 Train service and information providers on topics such as teaching methods, farmer outreach models, and technical skills and knowledge
2.6 Provide technical training to farmers on production, harvesting and post-harvest techniques and practices
2.7 Assist with developing business relationships and addressing requirements of financial institutions to obtain capital for further growth or expansion
2.8 Facilitate relationships between value-adding agribusinesses and smallholder/emerging commercial farmers
2.9 Facilitate market access to new domestic buyers and international markets
2.10 Support farming and business/sector associations and cooperatives to develop marketing and branding campaigns
2.11 Facilitate linkages between and provide support to vocational education institutions, business service providers, and enterprises to improve training curricula and increase access to private sector-led skills development opportunities

2. Baseline Environmental Information

2.1. Locations Affected and Environmental Context

Georgia is situated along the Black Sea and borders the neighboring countries of Azerbaijan, Armenia, Turkey, and Russia. The population of Georgia is approximately 3.7 million people. The capital city is Tbilisi with a population of 1.1 million people. The physical terrain of Georgia is primarily mountainous. Georgia has 22 microclimates varying from cool and dry to warm and humid. Natural resources include iron ore, hydropower resources, manganese deposits, and forestry. Georgia is a small developing economy, with a gross national income (GNI) per capita of $3,830 in 2016. Georgia’s main economic activities include tourism, mining, manufacturing, hydropower generation, trade and transport, construction, and agriculture. Historically, agriculture was a major contributor to economic growth, employment, and exports. However, since the collapse of the Soviet Union and the dismantling of the collective agricultural system, the Georgian agriculture sector has been slow to recover. Since 2010, however, an increase in Government of Georgia (GOG) support to the agriculture sector and concerted support from the donor community have improved productivity, increased productive capacity, and led to reductions in rural poverty levels. As a result, certain segments of the agriculture sector have recovered, including hazelnuts, wine, mineral water, and citrus, among others.

Despite these gains, Georgian agriculture has yet to fulfill its potential to create jobs and increase incomes in rural areas. Rural poverty is still high and most rural employment is subsistence agricultural activity that masks unemployment, as discussed above. If Georgia’s agriculture sector is going to modernize and grow in ways that create jobs, increase incomes, and reduce poverty in rural areas, it will need to overcome significant challenges, some of which include the following:

- Lack of integrated supply chains and limited scalability of operations due to weak backward linkages to primary producers
- Lack of modern production and processing technologies and skills to implement these technologies, which limits productivity, quality, and ability to meet international certification requirements
- Weak linkages to final output markets and lack of knowledge of market opportunities

The USAID Agriculture Program will support Georgian agriculture to overcome the challenges identified above and other challenges in ways that will accelerate the development of value chains that demonstrate the strongest potential to contribute to job creation and increase MSME revenues. A sector and market assessment carried out by USAID in 2017 identified agricultural subsectors including the production and processing of fruits, vegetables, herbs, and other high-value horticulture products as having strong employment generation possibilities, strong potential to integrate MSMEs into subsector growth, strong
potential for value addition, and relatively low levels of required investment to stimulate growth in these subsectors. Value chains in these sub-sectors, especially niche market products like off-season production of fruits and vegetables, the production of fruits and vegetables that show strong domestic demand but weak production, and products that grow well in Georgia and have niche export market opportunities, including organically-certified products, have the potential to compete in EU and Eastern European markets. In addition, many fruit, vegetable, and herb value chains have high potential for value addition through drying, processing, and/or packaging before sale to domestic or export markets.

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

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

- The Law on Environmental Protection (1999 and updated)
- Law on Environmental Impact Permit (1991 and updated)
- Law on Ecological Expertise (2007)
- Law on Protected Areas
- Forestry code (currently being updated)
- Water law (under the development)
- Red Book

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

In addition to Georgian law, United States Government (USG) environmental policy compliance is required for all new activities.

2.3. Sustainability Analysis

The USAID Agriculture Program will provide technical assistance to firms and organizations in priority sub-sectors to make activity interventions and results achieved through these interventions sustainable beyond the life of the activity. The activity will examine the incentives and motivations of key actors for sustaining interventions and incorporate these findings into intervention design. The activity will also promote engagement and partnerships with financial institutions and other private and public sector actors that have interests in seeing activity interventions and results sustained into the future. In addition, the contractor must build the resilience of MSMEs to factors with the potential to threaten investments in priority agricultural subsectors. The interventions that build resilience will include improving access to instruments that mitigate financial risks such as crop and weather insurance, diversification of market linkages that reduces reliance on traditional yet unpredictable markets such as Russia, and support to improve integrated pest management practices.

2.4. Climate Change Vulnerability Analysis

This analysis sought to identify whether and how the Project will affect, or be affected by, medium and longer-term climate change impacts, and how the Project’s design should be adjusted in consideration of climate change vulnerabilities.

In Georgia, the projected increase in temperature and decrease in precipitation, along with the projected increase in the frequency and intensity of natural disasters, will impact the agriculture sector by causing erosion, desertification, and a general degradation of agricultural land; reducing the availability of water; and causing severe damage to crops from high winds, floods, droughts, and other severe weather.
These implications are significant because agriculture is arguably the most economically important sector in Georgia. Some of the resulting recommendations include the following measures:

- Reducing land erosion and increasing soil fertility by planting of windbreaks to reduce erosion; keeping weeds under control and removing stones in pasture; and planting new seed types in degraded areas.
- Using gypsum in alkali soils and chemical fertilizers (i.e., nitrogen, sulfur, phosphorus, etc.) in saline soils.
- Increasing efficiency and effectiveness of irrigation (if applicable to the project) by using micro-irrigation technologies, such as sprinklers and drip irrigation; using techniques to conserve soil moisture, such as mulching and conservation tillage; investing in drought-tolerant crops; and growing less water-intensive crops.
- General policies: promoting crop, income and landscape diversification to reduce the impact of climate change; and increasing water storage to address shortages during droughts or summer months.
3. Analysis of Potential Environmental Impact

3.1. Component 1: Cost-share grants to MSMEs, cooperatives, service/information/extension providers and associations

<table>
<thead>
<tr>
<th>Defined/Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Potential Climate Risk</th>
<th>Climate Risk Rating</th>
<th>Opportunities for Climate Resiliency</th>
</tr>
</thead>
</table>
| 1.1 Implementation of Cost-share grants to MSMEs, cooperatives, service/information/extension providers and associations | Potential impacts of grant supported activities on land, water, air and human health. | In Georgia, the projected increase in temperature and decrease in precipitation, along with the projected increase in the frequency and intensity of natural disasters, will impact the agriculture sector by causing erosion, desertification, and a general degradation of agricultural land; reducing the availability of water; and causing severe damage to crops from high winds, floods, droughts, and other severe weather. | Low | • Encourage farmers to take advantage of changes in temperature or precipitation that will extend the growing season and allow for additional harvests.  
• Increase training and investment in more sustainable agricultural practices.  
• Encourage adoption of innovations in food processing, packaging, transport, and storage. |

3.2. Component 2: Technical assistance to SMEs, cooperatives, service/information/extension providers and associations

<table>
<thead>
<tr>
<th>Defined/Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Potential Climate Risk</th>
<th>Climate Risk Rating</th>
<th>Opportunities for Climate Resiliency</th>
</tr>
</thead>
</table>
| 2.1 Assist with developing and or updating business plans, financial plans, and/or market assessments | No adverse impacts are likely | In Georgia, the projected increase in temperature and decrease in precipitation, along with the projected increase in the frequency and intensity of natural disasters, will impact the agriculture sector by causing erosion, desertification, and a general degradation of agricultural land; reducing the availability of water; and causing severe damage to crops from high winds, floods, droughts, and other severe weather. | Low | • Encourage farmers to take advantage of changes in temperature or precipitation that will extend the growing season and allow for additional harvests.  
• Increase training and investment in more sustainable agricultural practices, such as water conservation, prevention |
<table>
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<th>Defined/Illustrative Activities</th>
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<th>Opportunities for Climate Resiliency</th>
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<tbody>
<tr>
<td>2.2 Train producers and MSMEs on business management and operation practices and skills</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above. Of soil erosion, increased use of natural soil amendments such as compost and manure.</td>
</tr>
<tr>
<td>2.3 Train MSME on operation and maintenance of equipment and/or facilities</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above. Encourage adoption of innovations in food processing, packaging, transport, and storage.</td>
</tr>
<tr>
<td>2.4 Facilitate the development and capacity building of business/sector associations (e.g., working with grant recipients to form industry or sector specific associations)</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>2.5 Train service and information providers on topics such as teaching methods, farmer outreach models, and technical skills and knowledge</td>
<td>Technical support for certain agricultural activities can have potential impacts land, water, air and human health.</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>2.6 Provide technical training to farmers on production, harvesting and post-harvest techniques and practices</td>
<td>Technical support for certain agricultural activities can have potential impacts land, water, air and human health</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>2.7 Assist with developing business relationships and addressing requirements of financial institutions to obtain capital for further growth or</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>Defined/Illustrative Activities</td>
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<td>expansion</td>
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</tr>
<tr>
<td>2.8 Facilitate relationships between value-adding agribusinesses and smallholder/emerging commercial farmers</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>2.9 Facilitate market access to new domestic buyers and international markets</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>2.10 Support farming and business/sector associations and cooperatives to develop marketing and branding campaigns</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>2.11 Facilitate linkages between and provide support to vocational education institutions, business service providers, and enterprises to improve training curricula and increase access to private sector-led skills development opportunities</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
</tbody>
</table>
4. **Recommended Environmental Actions**

4.1. **Recommended Mitigation Measures**

**Component 1 – Cost-share grants to MSMEs, cooperatives, service/information/extension providers and associations**

<table>
<thead>
<tr>
<th>Defined/Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
<th>Recommended Threshold Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Implementation of Cost-share grants to MSMEs, cooperatives, service/information/extension providers and associations</td>
<td>Potential impacts of grant supported activities on land, water, air and human health.</td>
<td>USAID will ensure the implementing partner prepares and submits for USAID approval the attached Environmental Review Checklist (ERC) that will define appropriate EMMPs to be developed. The ERC/EMMP will be completed and approved with sub-grant approval process, prior to activities beginning. Also, USAID will ensure that the implementing partner follows the PERSUAP when sub-grants include using of pesticides. The PERSUAP is required to be updated every two years.</td>
<td>Negative Determination with Conditions</td>
</tr>
</tbody>
</table>

**Component 2: Technical assistance to SMEs, cooperatives, service/information/extension providers and associations**

<table>
<thead>
<tr>
<th>Defined/Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
<th>Recommended Threshold Determination</th>
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<tbody>
<tr>
<td>2.5. Train service and information providers on topics such as teaching methods, farmer outreach models, and technical skills and knowledge</td>
<td>Technical support for certain agricultural activities can have potential impacts on land, water, air and human health.</td>
<td>USAID will ensure that the implementing partner follows the PERSUAP when discussing pesticides. The PERSUAP is required to be updated every two years.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>2.6. Provide technical training to farmers on production, harvesting and post-harvest techniques and practices</td>
<td>Technical support for certain agricultural activities can have potential impacts on land, water, air and human health.</td>
<td>USAID will ensure that the implementing partner follows the PERSUAP when discussing pesticides. The PERSUAP is required to be updated every two years.</td>
<td>Negative Determination with Conditions</td>
</tr>
</tbody>
</table>
4.2. Recommended Environmental Determination:

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

- Activity [2.1, 2.2, 2.3, 2.4, 2.7, 2.8, 2.9, 2.10, 2.11] under §216.2(c)(2)(i) Education, technical assistance, or training programs except to the extent such programs include activities directly affecting the environment (such as construction of facilities, etc.);

**Negative Determination with Conditions:**
Under §216.3(a)(2)(iii), a negative determination with conditions is recommended for activities [1.1, 2.5, 2.6]. Specific terms and conditions are presented below in Section 4.3.

4.3. Terms and Conditions:

4.3.1. For activities 2.5 and 2.6 USAID will ensure that the implementing partner follows the PERSUAP when discussing pesticides. The PERSUAP is required to be updated every two years.

4.3.2. Prior to initiating 1.1 activities that have the potential to result in significant adverse environmental, health, and safety impact, the IP shall prepare an ERC/EMMP(s) in the format provided in the Annex B of this IEE. The COR/AOR, MEO, and BEO shall approve the ERC/EMMP(s) prior to implementation. For each site-specific activity, the ERC/EMMP shall be attached to the signed Certification of No Adverse or Significant Effects on the Environment (See ERC/EMMP Annex 1). This should be signed by the IP, COR/AOR, MEO, and BEO. After the IP has finalized its activities at a specific site, the IP shall sign a Record of Compliance with the ERC/EMMP (see ERC/EMMP Annex 2) certifying that the organization met all applicable ERC/EMMP conditions and submit it to the COR/AOR. The COR/AOR shall keep the original for the project files and provide a copy to the MEO and BEO.

4.3.3. ERC/EMMPs shall be captured in annual work plans, and therefore budgeted for and reviewed for adequacy at least annually.

4.3.4. Changes in activities and their associated ERC/EMMPs shall necessitate amending the IEE or issuing a Memo to the File (depending on extent and potential impact of the changes).

4.4. USAID Monitoring and Reporting

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

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

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

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

4.5. Implementing Partner (IP) Monitoring and reporting

4.5.1. If an individual activity is found to pose significant adverse environmental effects that have not been identified and addressed in the attached EMMP(s), or EMMPs that were subsequently approved for the project, new EMMPs shall be developed to include environmental safeguards for such effects.

4.5.2. IPs shall report on environmental compliance requirements as part of their routine project reporting to USAID.
5. **Mandatory Inclusion of Requirements in Solicitations, Awards, Budgets and Workplans**

5.1. Appropriate environmental compliance language, including limitations defined in Section 6, shall be incorporated into solicitations and awards for this activity and projects budgets shall provide for adequate funding and human resources to comply with requirements of this IEE.

5.2. Solicitations shall include Statements of Work with task(s) for meeting environmental compliance requirements and appropriate evaluation criteria.

5.3. Environmental mitigation and monitoring requirements, when available, shall also be included in solicitations and awards.

5.4. The IP shall incorporate conditions set forth in this IEE into their annual work plans.

5.5. The IP shall ensure annual work plans do not prescribe activities that are defined as limitations, as defined in Section 6.

5.6. The USAID Mission will include an indicator for environmental compliance as part of the project’s performance monitoring plan. [If an IEE has a threshold determination of negative determination with conditions, then a possible indicator is if the IP did the ERC/EMMP.]

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

6.1. Normally have a significant effect on the environment under §216.2(d)(1) [See http://www.usaid.gov/our_work/environment/compliance/regulations.html]

6.2. Support project preparation, project feasibility studies, engineering design for activities listed in §216.2(d)(1);

6.3. Affect endangered species;

6.4. Result in wetland or biodiversity degradation or loss;

6.5. Support extractive industries (e.g. mining and quarrying);

6.6. Promote timber harvesting;

6.7. Provide support for regulatory permitting;

6.8. Result in privatization of industrial or infrastructure facilities;

6.9. Lead to new construction of buildings or other structures;

6.10. Procure or use genetically modified organisms.

7. **Revisions**

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

**Approval:**

Thomas R. Morris, Acting Mission Director

[Signature]

**Date:**

03-09-2018

**Clearance:**

by email

Gocha Lobzhanidze, Mission Environmental Officer

Date

02/12/2018

**Clearance:**

BME

Brent Edelman, Activity Manager/COR/AOR

Date

02/23/2018

**Concurrence:**

Mark Kamiya

E&E Bureau Environmental Officer

[Signature]

Date

03/13/2018

**Distribution:**

IEE File

MEO (to also provide a copy to AOR/COR)

**Attachments:**

Annex A. Climate Risk Screening and Management Tool for Activity/Project/Strategy Design

Annex B. Environmental Review Checklist
## Annex A. Climate Risk Screening and Management Tool for Activity/Project/Strategy Design

<table>
<thead>
<tr>
<th>1.1: Defined or Anticipated Tasks or Interventions*</th>
<th>1.2: Time-frame</th>
<th>1.3: Geography</th>
<th>2: Climate Risks*</th>
<th>3: Adaptive Capacity</th>
<th>4: Climate Risk Rating* [Enter rating for each risk: High, Moderate, or Low]</th>
<th>5: Opportunities*</th>
<th>6.1: Climate Risk Management Options</th>
<th>6.2: How Climate Risks Are Addressed in the Activity*</th>
<th>7: Next Steps for Activity Implementation</th>
<th>8: Accepted Climate Risks*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost-share grants to MSMEs, cooperatives, service/information/extension providers and associations</td>
<td>next 0-5 years</td>
<td>The projects will be implemented across the country.</td>
<td>In 2017-2050: The average annual air temperature throughout Georgia will increase by 1.3°C to 1.6°C, the number of summer days (above 25°C) will increase; the absolute minimum air temperature by 1°C is probable in the mountain zone, the overall tendency is for an increase. The number of frost days is decreasing</td>
<td>The climate is likely changing in the way that it may have low-level effect on professionals to be trained under these programs. The training services supported with this activity will be provided inside the buildings. Climate is likely changing in the way that it may have some moderate effect on the buildings and services supported</td>
<td>Low</td>
<td>Encourage farmers to take advantage of changes in temperature or precipitation that will extend the growing season and allow for additional harvests. Increase training and</td>
<td>While the services are provided the implementer should be mindful to gather any information related to climate change, if applicable. Choose training venues that would be less</td>
<td>The Activity works with the Ministry of Agriculture to disseminate information about best techniques for integrated pest management.</td>
<td>incorporate climate change vulnerability findings and projections into the outreach and training information</td>
<td>None</td>
</tr>
</tbody>
</table>
Technical assistance to SMEs, cooperatives, service/information providers and associations throughout Georgia. The annual number of hot days will increase about 2.5 times. The percentage change of annual total precipitation is within a range from an 11% decrease to an 8% increase. A number of days of heavy rain will increase by 2 to 5 days; a decrease is more observable in the southeast, also in Adjara and a large part of Imereti; and an increase will take place in mountain regions, mostly within the Greater Caucasus. with this activity, namely, higher temperatures may increase a need for air conditioning of services; and an increased risk of natural disasters as a result of precipitation change in mountainous areas could require better-developed evacuation plans. The disabled population served in these services is more sensitive towards higher temperatures, and natural disasters

| Low | investment in more sustainable agricultural practices, such as water conservation, prevention of soil erosion, increased use of natural soil amendments such as compost and manure. Encourage adoption of innovations in food processing, packaging, transport, and storage. impacting by inclement weather and to check the local weather conditions before the training dates to plan for bad weather and a back-up plan. | The Activity works with the Ministry of Agriculture to disseminate information about best techniques for integrated pest management. | incorporate climate change vulnerability findings and projections into the outreach and training information | None |

ENVIRONMENTAL REVIEW CHECKLIST (ERC) for Identifying Potential Environmental Impacts of Project Activities and Processes/
ENVIRONMENTAL MITIGATION AND MONITORING PLAN (EMMP)
ERC/EMMP

for [Activity Name]

Implemented under: [Project Name]

DCN: [of Parent IEE]

Prepared by: [Implementer]
ENVIRONMENTAL REVIEW CHECKLIST FOR IDENTIFYING POTENTIAL ENVIRONMENTAL IMPACTS OF PROJECT ACTIVITIES AND PROCESSES

The Environmental Review Checklist for Identifying Potential Environmental Impacts of Project Activities and Processes (ERC) and Environmental Mitigation and Monitoring Plan (EMMP) is intended for use by implementing partners to: assess activity-specific baseline conditions, including applicable environmental requirements; identify potential adverse environmental effects associated with planned activity(s) and processes; and develop EMMPs that can effectively avoid or adequately minimize the identified effects. This ERC/EMMP may be substituted for other ERC/EMMP versions that may have been attached to previous initial environmental examinations (IEE). If implementing partners are in doubt about whether a planned activity requires preparation of an ERC, they should contact their Contracting Officer’s Representative (COR)/Agreement Officer’s Representative (AOR) for clarification. In turn, the COR/AOR should contact their Mission Environmental Officer (MEO) if they have any questions. In special circumstances and with approval of the BEO it is possible to have one very comprehensive ERC/EMMP for multiple projects if they are similar in scope. *(When preparing the ERC/EMMP, please indicate “not applicable” for items that have no bearing on the activity. The ERC/EMMP must be completed by an environmental specialist.** The ERC/EMMP must be completed and approved prior to the activity beginning.***)

A. Activity and Site Information

<table>
<thead>
<tr>
<th>Project Name: <em>(as stated in the triggering IEE)</em></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission/Country:</td>
</tr>
<tr>
<td>DCN of Most Recent Triggering IEE or Amendment:</td>
</tr>
<tr>
<td>Activity/Site Name:</td>
</tr>
<tr>
<td>Type of Activity:</td>
</tr>
<tr>
<td>Name of Reviewer and Summary of Professional Qualifications:</td>
</tr>
<tr>
<td>Date of Review:</td>
</tr>
</tbody>
</table>

B. Activity Description

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

**C. Activity-Specific Baseline Environmental Conditions**

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

**D. Legal, Regulatory, and Permitting Requirements**

1. National environmental impact assessment requirements for this activity
2. Applicable National or local permits for this activity, responsible party, and schedule for obtaining them:

<table>
<thead>
<tr>
<th>Permit Type</th>
<th>Responsible party</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building/Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source Material Extraction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste Disposal</td>
<td></td>
<td></td>
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<tr>
<td>Wastewater</td>
<td></td>
<td></td>
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<tr>
<td>Storm Water Management</td>
<td></td>
<td></td>
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<tr>
<td>Air Quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Historical or Cultural Preservation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wetlands or Water bodies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Threatened or Endangered Species</td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Other</em></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

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

1. Will the activity be required to adhere to formal engineering designs/plans? Have these been or will they be developed by a qualified engineer? If yes, attach the plans to the ERC/EMMP.
2. Do designs/plans effectively and comprehensively address:
   a. Management of storm water runoff and its effects?
   b. Reuse, recycling, and disposal of construction debris and by-products?
   c. Energy efficiency and/or preference for renewable energy sources?
   d. Pollution prevention and cleaner production measures?
   e. Maximum reliance on green building or green land-use approaches?
   f. Emergency response planning?
   g. Mitigation or avoidance of occupational safety and health hazards?
   h. Environmental management of mobilization and de-mobilization?
   i. Capacity of the host country recipient organization to sustain the environmental management aspects of the activity after closure and handover?

3. Are there known geological hazards, e.g., faults, landslides, or unstable soil structure, which could affect the activity? If so, how will the project ensure structural integrity?

4. Will the site require grading, trenching, or excavation? Will the activity generate borrow pits? If so, how will these be managed during implementation and closure?

5. Will the activity cause interference with the current drainage systems or conditions? Will it increase the risk of flooding?

6. Will the activity interfere with above- or below-ground utility transmission lines, e.g., communications, water, sewer, or natural gas?

7. Will the activity potentially interfere with vehicle or pedestrian traffic?

8. Does the activity increase the risk of fire, explosion, or hazardous chemical releases?

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

F. Environment, Health, and Safety Consequences

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

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

3. Water quality changes and impacts
   a. How far is the site located from the nearest river, stream, or lake?(Non-yes/no question)
b. Will the activity disturb wetland, lacustrine, or riparian areas?
c. What is the depth to groundwater at the site? (Non-yes/no question)
d. Will the activity result in increased ground or surface water extraction? If so, what are the volumes? Permit requirements? (Non-yes/no question)
e. Will the activity discharge domestic or industrial sewage to surface, ground water, or publicly-owned treatment facility?
f. Does the activity result in increased volumes of storm water run-off and/or is there potential for discharges of potentially contaminated (including suspended solids) storm water?
g. Will the activity result in the runoff of pesticides, fertilizers, or toxic chemicals into surface water or groundwater?
h. Will the activity result in discharge of livestock wastes such as manure or blood into surface water?
i. Does the site require excavation, placing of fill, or substrate removal (e.g., gravel) from a river, stream or lake?
4. **Land use changes and impacts**
   a. Will the activity convert fallow land to agricultural land?
   b. Will the activity convert forest land to agricultural land?
   c. Will the activity convert agricultural land to commercial, industrial, or residential uses?
   d. Will the activity require onsite storage of liquid fuels or hazardous materials in bulk quantities?
   e. Will the activity result in natural resource extraction, e.g., granite, limestone, coal, lignite, oil, or gas?
   f. Will the activity alter the viewshed of area residents or others?

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

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

G. **Further Analysis of Recommended Actions** *(Most activities will have a threshold determinations of negative determination with conditions.)*

   □ 1. **Categorical Exclusion**: The activity is not likely to have an effect on the natural or physical environment. No further environmental review is required.* (This is rarely used in the ERC/EMMP.)

   □ 2. **Negative Determination with Conditions**: The activity does not have potentially significant adverse environmental, health, or safety effects, but may contribute to minor impacts that can be eliminated or adequately minimized by appropriate mitigation measures. ERC/EMMPs shall be developed, approved by the Mission Environmental Officer (MEO) and the BEO **prior to beginning the activity**, incorporated into workplans, and then implemented. For activities related to the procurement, use, or training related to pesticides, a PERSUAP will be prepared for BEO approval, PERSUAPS are considered amendments to the IEE and usually Negative Determination with Conditions. See Sections H and I below.*

   □ 3. **Positive Determination**: The activity has potentially significant adverse environmental effects and requires further analysis of alternatives, solicitation of stakeholder input, and incorporation of environmental considerations into activity design. A Scoping Statement (SS) must be prepared and be submitted to the BEO for approval. Following BEO approval of the SS an Environmental Assessment (EA) will be conducted. The activity may not be implemented until the BEO clears the final EA. If the Parent IEE does not have Positive
Determination as one of the threshold determinations, the IEE needs to be amended.

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

*Note regarding applicability related to Pesticides (216.2(e): The exemptions of §216.2(b)(1) and the categorical exclusions of §216.2(c)(2) such as technical assistance, education, and training are not applicable to assistance for the procurement or use of pesticides.*

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

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

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

2. **Activity-specific monitoring plan**

Mission / Project
<table>
<thead>
<tr>
<th>Monitoring Indicators</th>
<th>Monitoring and Reporting Frequency</th>
<th>Responsible Parties</th>
<th>Records Generated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specify indicators to (1) determine if mitigation is in place and (2) successful (for example, visual inspections for seepage around pit latrine; sedimentation at stream crossings, etc.)(Taken from column 5 of the environmental mitigation plan above.)</td>
<td>For example: “Monitor weekly, and report in quarterly reports. If XXX occurs, immediately inform USAID COR/AOR.”</td>
<td>Separate parties responsible for mitigation from those responsible for reporting, whenever appropriate,</td>
<td>If appropriate, describe types of records generated by the mitigation, monitoring, and reporting process.</td>
</tr>
</tbody>
</table>
ERC/EMMP ANNEX 1
Certification of No Adverse or Significant Effects on the Environment

I, the undersigned, certify that activity-specific baseline conditions and applicable environmental requirements have been properly assessed; environment, health, and safety impacts requiring further consideration have been comprehensively identified; and that adverse impacts will be effectively avoided or sufficiently minimized by proper implementation of the EMMP(s) in Section H. If new impacts requiring further consideration are identified or new mitigation measures are needed, I will be responsible for notifying the USAID COR/AOR, as soon as practicable. Upon completion of activities, I will submit a Record of Compliance with Activity-Specific EMMPs using the format provided in ERC Annex 2.

Implementer Project Director/COP Name __________________________ Date

Approvals:

USAID COR/AOR Name __________________________ Date

Mission Environmental Officer
Gocha Lobzhanidze

Date

Concurrence:

Mark Kamiya, Bureau Environmental Officer __________________________ Date

Distribution:
- Project Files
- IEE Files
ERC/EMMP ANNEX 2
RECORD OF COMPLIANCE WITH ACTIVITY-SPECIFIC ENVIRONMENTAL MITIGATION AND MONITORING PLANS (EMMPs)

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

1. Mobilization and Site Preparation
2. Activity Implementation Phase
3. Site Closure Phase
4. Activity Handover

Sincerely,

Implementer Project Director/COP Name __________________________ Date

Approved:

USAID/COR/AOR/Activity Manager Name __________________________ Date

Distribution:
- Project Files
- MEO
- Bureau Environmental Officer