1. Background and Project Description

1.1. Purpose and Scope of IEE

The purpose of the IEE is to cover the USAID Economic Security Program. The purpose of this program is to facilitate accelerated growth of sectors outside of agriculture that show strong potential to create jobs, increase incomes, increase MSME revenues, and support diversification to more productive economic activities, including the tourism sector and up to 3 additional sectors. Within the identified sectors, the contractor must use a value chain approach to promote growth.

1.2. Project Overview and description

The program will achieve these goals by improving the workforce, including professional, management, and vocational skill development, supporting new service and product development, improving coordination and communications between key stakeholders, and developing and co-funding partnerships that have catalytic effects on MSMEs in these sectors.
To meet the goal and objectives of the USAID Economic Security Program, the contractor and its interventions must be flexible and responsive to changing market conditions and other exogenous factors. In case of rapidly changing market conditions and new opportunities, the contractor may need to change sector(s) in order to promote increased employment and economic competitiveness. In case of unexpected shocks that threaten investments in targeted sector(s), such as geopolitical events, natural disaster, or other threats, the contractor may need to adapt its interventions to respond accordingly.

**Component 1: Strengthen cooperation in targeted sectors**

The contractor must provide technical assistance and cost-share grants to strengthen linkages and cooperation throughout value chains in targeted sectors and improve support services intended to enhance growth and productivity across targeted value chains in targeted sectors. This technical assistance must prioritize value chains for support, identify gaps and interventions to strengthen these value chains, and build coordination and collaboration between key stakeholders in prioritized value chains including firms, associations, GOG agencies, municipalities, and others. For example, if a value chain assessment determines that the lack of access to new technologies is a key impediment to the domestic production of high-quality construction materials, the contractor will link the cluster of domestic producers with technology providers, provide grants to increase access to new and improved technologies, and/or provide the necessary technical assistance to bring these technologies to Georgian value chain participants. Also, if the lack of regulations is identified as a significant factor hindering the development of services and products in the targeted sectors, the contractor will provide technical assistance to facilitate public-private dialogue on related issues.

After USAID approves the assessment, the contractor must provide technical expertise and cost-share grants to strengthen in-country systems for the sustainable delivery of productivity-enhancement services to targeted value chains, facilitate market linkages, and improve coordination and communication between key stakeholders in the targeted sectors, including non-governmental organizations and sector associations, government and state agencies, and donors. Examples of potential interventions include, but are not limited to, the following:

1. Support the development of a tourism alliance and other sector associations by strengthening association governance, facilitating the development of private sector-led certifications, especially those that are internationally recognized and contribute to improved human safety and environmental safeguards, and building capacity to advocate for sector development;
2. Facilitate public-private dialogue among sector stakeholders to jointly identify any policy and regulatory constraints to the development of targeted sectors and propose concrete legislative and regulatory actions to mitigate these constraints, as well as identify areas for collaboration to improve sector competitiveness;
3. Increase and strengthen market linkages by designing initiatives to help groups of firms participate in business-to-business meetings including trade missions and fairs, develop joint promotion and branding initiatives, and source locally by consolidating purchases and sharing logistics for primary inputs;
4. Support key sector stakeholders to jointly identify and prioritize investments that promote the development of targeted sectors and to access funding for these projects, including through GOG financing sources and international financial institutions, and;
5. Increase access to finance by working with financial institutions to deepen understanding of the market potential and financing opportunities for value chains in targeted sectors.

**Component 2: Support MSMEs to improve productivity, sales, quality and develop new products and services**

The contractor must provide cost-share grants and technical assistance to MSMEs that improve their productivity, sales, and quality and develops new products and services. The contractor must design and deliver cost-share grants and technical assistance in ways that address value chain gaps identified in the
assessment conducted under component 1. For example, if a value chain assessment determines that a shortage of domestically-produced packaging materials hinders the development of a targeted value chain, the contractor will provide grants and technical assistance to Georgian firms to start production of demanded packaging. This technical assistance will include both assistance, directly provided by the contractor, and technical assistance provided through sub-contractors. In addition, the contractor must design and deliver technical assistance to non-grant recipients in ways that address value chain gaps identified in the assessment conducted under component 1. For technical assistance recipients, the contractor must identify opportunities for cost-share contributions for beneficiaries whenever possible. When providing technical assistance, the contractor must take a systematic approach to supporting groups or clusters of firms within value chains in targeted sectors rather than supporting individual firms across a wide range of value chains. Furthermore, whenever possible, in delivering technical assistance the contractor must partner with GOG agencies and other donors to maximize the impact of the assistance. Types of interventions may include, but are not limited to, the following:

1. Improve firm-level operational capacities by supporting the development of business, financial, and marketing plans and enhancing logistics, operations, procurement, and other management capacities;
2. Increase productivity, productive capacity, and product quality by supporting the upgrade and expansion of production facilities and access to new and improved production technologies;
3. Improve ability to meet international production standards and receive internationally-recognized certifications, including environmental and other eco-friendly certifications, and;
4. Facilitate increased access to new domestic buyers, international markets, and financing opportunities for further growth and expansion.

Component 3: Industry-led workforce development

The contractor must provide technical assistance and cost-share grants to support industry-driven improvements in training and educational opportunities for the workforce that supports targeted sectors, including professional, management, and vocational skill development. Technical assistance must be designed to increase the level of private sector engagement in workforce development and build communication and partnerships between public sector, industry and education service providers to support workforce development, including on-the-job learning opportunities. Technical assistance and cost-share grants must be targeted to address identified gaps in training and educational programs for the workforce that supports targeted sectors. Potential grant and technical assistance recipients may include, but are not limited to, business service providers, vocational and technical training centers, universities, professional organizations, non-governmental organizations or other organizations that provide services that build the skills of potential and current employees engaged in targeted sectors. Examples of technical assistance and grants include, but are not limited to, the following:

1. Design initiatives that increase communications and strengthen linkages between industry, government, and educational institutions to address skills mismatches and contribute solutions for demand-driven education;
2. Support businesses to create on-the-job learning opportunities and develop incentives that tie trainings and certifications to internships, apprenticeships, and other forms of preferential consideration for employment opportunities;
3. Develop programs that train specialists in high demand in targeted sectors;
4. Improve and upgrade service quality and safety standards for various education service providers to internationally accepted practices, standards, and certifications;
5. Support graduates of workforce development programs to start their own businesses and/or gain internships and employment through job fairs and similar events that link graduates with potential employers, and;
6. Design sustainable long-term workforce development platforms, such as physical spaces/hubs, that are jointly financed and managed by sector associations and universities/training providers.

Component 4: Build sustainability of activity interventions and resiliency to factors that threaten economic opportunity and growth in targeted sectors
The contractor must provide technical assistance to firms and organizations in targeted sectors to make activity interventions and results achieved through these interventions sustainable beyond the life of the activity. The contractor must examine the incentives and motivations of key actors in targeted sectors for sustaining interventions and incorporate these findings into intervention design. Where possible, the contractor must reorient practices or activities that could undermine sustainability, preferably in ways that create new opportunities. The contractor must also provide technical assistance to firms and organizations in targeted sectors that build the resilience of firms to factors with the potential to threaten economic opportunity and growth that could arise in the near future, including biological threats, natural disasters, and geopolitical risks. The contractor must 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. Examples of technical assistance include, but are not limited to, the following:

1. Identify factors that could threaten economic activity in targeted sectors, including issues critical to the sustainability of activity interventions and results;
2. Design and implement mitigation strategies and techniques that increase the resiliency of activity interventions and results, and;
3. Design and implement discrete interventions to address natural or manmade emergencies that threaten economic activity in targeted sectors during the course of implementation.

Component 5: Building public private partnerships

The contractor must create and operate a Partnership Development Fund and facilitate the establishment of PPPs and Global Development Alliances (GDAs), primarily in targeted sectors but also potentially in other sectors. The contractor must provide technical assistance to develop relationships between key stakeholders in ways that will accelerate Georgia’s economic diversification, as well as its transition from donor-driven development to locally-owned solutions and self-reliance. Specifically, the contractor must provide technical assistance to catalyze linkages between private sector resource partners, the government, and local constituencies around a shared development challenge and opportunity; help these diverse stakeholders conceive new partnership ideas; co-design feasible and high-impact partnership activities; leverage financing by linking potential partners with sources of capital; and, ensure that the promising partnerships materialize.

The contractor must achieve these outcomes through the following steps. First, the contractor must provide technical assistance to gain a better understanding of the private sector’s needs, interests, and resources that could be leveraged to drive locally-owned development; this scoping exercise must include a mapping of industry leaders and private sector investment funds, where they work, and potential ways in which they could engage with MSMEs and GOG to develop targeted sectors. To the extent possible, this scoping exercise must complement the sector and value chain assessment conducted in component 1.

Second, the contractor must provide technical assistance that facilitates engagement between private sector leaders, MSMEs, and GOG that results in the identification and co-design of potential partnerships that build targeted sectors; these series of engagements must also support the GOG and private sector partners to identify regulatory incentives for the private sector to partner with non-private sector players and co-fund development activities.

Third, the contractor must provide technical assistance that identifies innovative methods to access and leverage financing for partnerships identified in the second step; it is expected that the vast majority of the partnerships designed in the second step will be entirely funded with non-U.S. government resources (e.g., by private sector, GOG, other donors, and financial institutions). Examples of potential types of partnerships may include, but are not limited to, the following:
1. Investments in new and/or existing facilities that builds the productive quality and capacity of complementary value chain actors -- such as primary producers from which processors source inputs -- through trainings, certification programs, and other services, as well investments in new and/or existing value adding processing enterprises;
2. Investments in technology, marketing, supply chain, logistics, infrastructure, and other initiatives that benefit firms throughout the value chain in targeted sectors;
3. Investments designed to enhance workforce skills in targeted sectors, including partnerships with leading private sector firms, educational institutions, GOG, sector associations, and others, that leverage knowledge and resources, in ways that align employers’ needs with skills delivered by training and education providers, and;
4. Investments in small businesses in targeted sectors that demonstrate the capacity to drive innovation and quality improvements and serve as models for other actors in the sector, but only if the benefits can be demonstrably spread to the wider MSME population.

The contractor must co-finance the most promising, high-impact partnership activities to demonstrate their viability and benefits to public, private and non-private stakeholders through its Partnership Development Fund. The Partnership Development Fund will be up to $1.5 million and will allow USAID to co-fund with the private sector resource partner, with at least a 1:1 match, a minimum of three new partnership activities (i.e., GDAs) during the life of the program. Each partnership activity must be linked to at least one of USAID/Georgia’s Country Development Cooperation Strategy Development Objectives, be replicable and/or scalable, and demonstrate clear benefits to proposed sectors. Each co-financing opportunity for which the contractor plans to use the Partnership Development Fund must be presented to the COR for prior approval.

**APPROACH TO PROVIDING COST-SHARE GRANTS**

Components one, two and three include a cost-share grants program. Below are requirements and parameters for the implementation of the cost-share grants program.

1. The aggregate amount of grants allocated under all three components must be $4 million.
2. The maximum grant size is $100,000 but a majority of the grants must be less than $70,000.
3. The contractor must design and implement a competitive cost-share grants program with detailed and transparent selection criteria.
4. The purpose of the cost-share grants is to facilitate investments in business expansions and/or sector growth that would not have otherwise occurred. The intended purpose is not to use grants to displace investments that likely would have otherwise taken place without program support or to support firms that have received significant donor support in the past.
5. Grants provided to MSMEs must not exceed 40% of the total new 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.
6. Grants provided to non-profit entities, including cooperatives and associations, will not exceed 70% of the total new estimated cash investment required to improve and/or expand operations. Loans and in-kind contributions may be used to meet matching requirements for these non-profit entities.
7. Grants provided to finance training and educational improvements and new offerings must not exceed 70% of the total new estimated cash investment required for the improvement or new offering. Loans and in-kind contributions may be used to meet matching requirements. Priority will be given to grantees who secure third-party private sector contributions to meet the matching requirements.
8. The contractor must work with all grant recipients to develop a series of training opportunities for their suppliers and clients, as applicable. These trainings will be designed to strengthen both business and technical skills and modern production techniques.
9. Entities receiving grants must agree to employ at least one intern on at least a part-time basis.
10. Prior to issuing a large scale grant, the contractor must assess and document harmful distortions to local markets or businesses that may result from providing a grant to a potential recipient. In the event harmful distortions are observed, the contractor must develop mitigating measures to offset market distortions. Prior to issuing a grant, the USAID Contracting Officer’s Representative (COR) must provide approval.

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.

Georgia is a small developing economy, with a population of approximately 4.5 million people and a gross national income (GNI) of USD 2,560. According to a 2009 World Bank report, 25% of the population lives below the poverty line, with higher rates in rural areas. However, poverty rates vary greatly among regions. For example, the World Bank report estimates that 59% of the population in the Shida Kartli region lives below the poverty line, while in the neighboring Kvemo Kartli region; the rate is only 8%. In any case, nearly half of the population lives in rural areas, where low-intensity, subsistence farming provides the principal source of livelihood, often coupled with social support programs and intra-family assistance. The Gini coefficient for Georgia is 43 (National Statistics Office of Georgia (GeoStat)), which puts the country behind most of its post-Soviet neighbors in terms of income equality. This has been fueled by the “jobless growth” occurring in Georgia, resulting from economic reforms benefitting primarily the elite and a small yet growing middle class, and a focus on investments in sectors such as banking and real estate, which creates few jobs.

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 Economic Security Program will provide technical assistance to firms and organizations in priority 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 the priority sectors.

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.
Some of the resulting recommendations include the following measures:

- Encourage the private sector to develop and deploy technologies in renewable energy and energy efficiency; waste, water and sanitation; and transport. There are opportunities across the entire value chain and to reach a wide variety of beneficiaries – in design, manufacturing, operations and maintenance (O&M), installation, retail and distribution, and R&D.
- Analyze climate information to determine vulnerabilities and risks to key economic sectors for the program cycle.
- Develop new insurance instruments to address climate risks.
3. Analysis of Potential Environmental Impact

Component 1: Strengthen cooperation in targeted sectors

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• Analyze climate information to determine vulnerabilities and risks to key economic sectors for the program cycle.  
• Develop new insurance instruments to address climate risks. |
<p>| 1.2 Facilitate public-private dialogue among sector stakeholders to jointly identify any policy and regulatory constraints to the development of | Potential impacts of grant supported activities on land, water, air and human health | Same as above | Low | Same as above |</p>
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**Component 2: Support MSMEs to improve productivity, sales, quality and develop new products and services**

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| 2.1 Improve firm-level operational capacities by supporting the development of business, financial, and marketing plans and enhancing logistics, operations, procurement, and other management capacities. This activity will be done through TA and cost-share sub-grants. | Potential impacts of grant supported activities on land, water, air and human health | 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; in contrast to all other cases, the temperature increase in West Georgia will be higher than in East Georgia. 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 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 | Low | • Encourage the private sector to develop and deploy technologies in renewable energy and energy efficiency; waste, water and sanitation; and transport. There are opportunities across the entire value chain and to reach a wide variety of beneficiaries – in design, manufacturing, operations and maintenance (O&M), installation, retail and distribution, and R&D.  
• Analyze climate information to determine vulnerabilities and risks to key economic sectors for the program cycle.  
• Develop new insurance instruments to address climate risks. |

Georgia / The USAID Economic Security Program
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<td>2.3 Improve ability to meet international production standards and receive internationally-recognized certifications, including environmental and other eco-friendly certifications. This activity will be done through TA and cost-share sub-grants.</td>
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<td>2.4 Facilitate increased access to new domestic buyers, international markets, and financing opportunities for further growth and expansion. This activity will be done through TA and cost-share sub-grants.</td>
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### Component 3: Industry-led workforce development

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| 3.1 Design initiatives that increase communications and strengthen linkages between industry, government, and educational institutions to address skills mismatches and contribute solutions for demand-driven education. This activity will be done through TA and cost-share sub-grants. | Potential impacts of grant supported activities on land, water, air and human health | 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; in contrast to all other cases, the temperature increase in West Georgia will be higher than in East Georgia. 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 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. | Low | • Encourage the private sector to develop and deploy technologies in renewable energy and energy efficiency; waste, water and sanitation; and transport. There are opportunities across the entire value chain and to reach a wide variety of beneficiaries – in design, manufacturing, operations and maintenance (O&M), installation, retail and distribution, and R&D.  
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• Develop new insurance instruments to address climate risks. |
| 3.2 Support businesses to create on-the-job learning opportunities and develop incentives that tie trainings and certifications to internships, apprenticeships, and other forms of preferential consideration for | Potential impacts of grant supported activities on land, water, air and human health | Same as above | Low | Same as above |

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<td>3.4 Improve and upgrade service quality and safety standards for various education service providers to internationally accepted practices, standards, and certifications. This activity will be done through TA and cost-share sub-grants.</td>
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<td>3.6 Design sustainable long-term workforce development platforms, such as physical spaces/hubs, that are jointly financed and managed by sector associations and universities/training providers. This activity will be done through TA and cost-share sub-grants.</td>
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## Component 4: Build sustainability of activity interventions and resiliency to factors that threaten economic opportunity and growth in targeted sectors

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• Analyze climate information to determine vulnerabilities and risks to key economic sectors for the program cycle.  
• Develop new insurance instruments to address climate risks. |
| 4.2 Design and implement mitigation strategies and techniques that increase the resiliency of activity interventions and results. | No adverse impacts are likely | Same as above | Low | Same as above |

Georgia / The USAID Economic Security Program
<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>
<tbody>
<tr>
<td>4.3 Design and implement discrete interventions to address natural or manmade emergencies that threaten economic activity in targeted sectors during the course of implementation.</td>
<td>No adverse impacts are likely</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
</tbody>
</table>

**Component 5: Building public private partnerships**

<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>
<tbody>
<tr>
<td>5.1 Investments in new and/or existing facilities that builds the productive quality and capacity of complementary value chain actors -- such as primary producers from which processors source inputs -- through trainings, certification programs, and other services, as well investments in new and/or existing value adding processing enterprises;</td>
<td>Potential impacts of grant supported activities on land, water, air and human health</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; in contrast to all other cases, the temperature increase in West Georgia will be higher than in East Georgia. 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 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</td>
<td>Low</td>
<td>Encourage the private sector to develop and deploy technologies in renewable energy and energy efficiency; waste, water and sanitation; and transport. There are opportunities across the entire value chain and to reach a wide variety of beneficiaries – in design, manufacturing, operations and maintenance (O&amp;M), installation, retail and distribution, and R&amp;D.</td>
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<tr>
<td>-------------------------------</td>
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<td>--------------------------------------</td>
</tr>
<tr>
<td>5.2 Investments in technology, marketing, supply chain, logistics, infrastructure, and other initiatives that benefit firms throughout the value chain in targeted sectors;</td>
<td>of Imereti; and an increase will take place in mountain regions, mostly within the Greater Caucasus.</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>5.3 Investments designed to enhance workforce skills in targeted sectors, including partnerships with leading private sector firms, educational institutions, GOG, sector associations, and others, that leverage knowledge and resources, in ways that align employers’ needs with skills delivered by training and education providers, and;</td>
<td>Potential impacts of grant supported activities on land, water, air and human health</td>
<td>Same as above</td>
<td>Low</td>
<td>Same as above</td>
</tr>
<tr>
<td>5.4 Investments in small businesses in targeted sectors that demonstrate the capacity to drive innovation and quality improvements and serve as models for other actors in the sector, but only if the benefits can be demonstrably spread to the wider MSME population.</td>
<td>Potential impacts of grant supported activities on land, water, air and human health</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: Strengthen cooperation in targeted sectors**

<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 Support the development of a tourism alliance and other sector associations by strengthening association governance, facilitating the development of private sector-led certifications, especially those that are internationally recognized and contribute to improved human safety and environmental safeguards, and building capacity to advocate for sector development</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.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>1.2 Facilitate public-private dialogue among sector stakeholders to jointly identify any policy and regulatory constraints to the development of targeted sectors and propose concrete legislative and regulatory actions to mitigate these constraints, as well as identify areas for collaboration to improve sector competitiveness</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.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>1.3 Increase and strengthen market linkages by designing initiatives to help groups of firms participate in business-to-business meetings including trade missions and fairs, develop joint promotion and branding initiatives, and source locally by consolidating purchases and sharing logistics for primary inputs;</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.</td>
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</table>
1.4 Support key sector stakeholders to jointly identify and prioritize investments that promote the development of targeted sectors and to access funding for these projects, including through GOG financing sources and international financial institutions, and;

| Potential impacts of grant supported activities on land, water, air and human health |
| 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. |

| Negative Determination with Conditions |

1.5 Increase access to finance by working with financial institutions to deepen understanding of the market potential and financing opportunities for value chains in targeted sectors.

| Potential impacts of grant supported activities on land, water, air and human health |
| 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. |

| Negative Determination with Conditions |

Component 2: Support MSMEs to improve productivity, sales, quality and develop new products and services

<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>2.1 Improve firm-level operational capacities by supporting the development of business, financial, and marketing plans and enhancing logistics, operations, procurement, and other management capacities;</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.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>2.2 Increase productivity, productive capacity, and product quality by supporting the upgrade and expansion of production facilities and access to new and improved production technologies;</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.</td>
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</table>
### Component 3: Industry-led workforce development

<table>
<thead>
<tr>
<th>Defined/Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
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</tr>
</thead>
<tbody>
<tr>
<td>3.1 Design initiatives that increase communications and strengthen linkages between industry, government, and educational institutions to address skills mismatches and contribute solutions for demand-driven education;</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.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>3.2 Support businesses to create on-the-job learning opportunities and develop incentives that tie trainings and certifications to internships, apprenticeships, and other forms of preferential consideration for employment opportunities;</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.</td>
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<tr>
<td>3.3</td>
<td>Develop programs that train specialists in high demand in targeted sectors;</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.</td>
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<td>3.4</td>
<td>Improve and upgrade service quality and safety standards for various education service providers to internationally accepted practices, standards, and certifications;</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.</td>
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<td>3.5</td>
<td>Support graduates of workforce development programs to start their own businesses and/or gain internships and employment through job fairs and similar events that link graduates with potential employers, and;</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.</td>
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<td>3.6</td>
<td>Design sustainable long-term workforce development platforms, such as physical spaces/hubs, that are jointly financed and managed by sector associations and universities/training providers.</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.</td>
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**Component 5: Building public private partnerships**

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Georgia / The USAID Economic Security Program
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<th>5.1 Investments in new and/or existing facilities that builds the productive quality and capacity of complementary value chain actors -- such as primary producers from which processors source inputs -- through trainings, certification programs, and other services, as well investments in new and/or existing value adding processing enterprises;</th>
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<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):

- Activities 4.1, 4.2, and 4.3 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, 1.2, 1.3, 1.4, 1.5, 2.1, 2.2, 2.3, 2.4, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 5.1, 5.2, 5.3, and 5.4]. Specific terms and conditions are presented below in Section 4.3.

4.3. Terms and Conditions:

4.3.1. Prior to initiating sub-grants under 1.1, 1.2, 1.3, 1.4, 1.5, 2.1, 2.2, 2.3, 2.4, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 5.1, 5.2, 5.3, and 5.4 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.

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

4.3.3. 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 and approval to cover new activities of the proposed the USAID Economic Security Program:

Approval:

[Signature]
Peter A. Wiebler, Mission Director
6/1/18

Clearance:

[Signature]
Gocha Lobzhanidze, Mission Environmental Officer
10/11/2018

Clearance:

[Signature]
Brent Edelman, Activity Manager/COR/AOR
10/11/2018

Concurrence:

[Signature]
Mark Kamiya
E&E Bureau Environmental Officer
10/11/2018

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

<table>
<thead>
<tr>
<th>1.1: Defined or Anticipated Tasks or Interventions*</th>
<th>The USAID Economic Security Program</th>
<th>Next step: Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.3: Geography</td>
<td>The project will be implemented in Georgia</td>
<td>Next step: Climate Risks</td>
</tr>
</tbody>
</table>

**2: Climate Risks***

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; in contrast to all other cases, the temperature increase in West Georgia will be higher than in East Georgia. 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 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.

**3: Adaptive Capacity**

An increased risk of natural disasters as a result of precipitation change in mountainous areas could require better developed evacuation plans. The tourism services is more sensitive towards higher temperatures, and natural disasters.

**4: Climate Risk Rating***

[Enter rating for each risk: High, Moderate, or Low] Low

**5: Opportunities***

- Encourage the private sector to develop and deploy technologies in renewable energy and energy efficiency; waste, water and sanitation; and transport. There are opportunities across the entire value chain and to reach a wide variety of beneficiaries – in design, manufacturing, operations and maintenance (O&M), installation, retail and distribution, and R&D.
- Analyze climate information to determine vulnerabilities and risks to key economic sectors for the program cycle.
- Develop new insurance instruments to address climate risks.

**6.1: Climate Risk Management Options**

Support facilities that maintain air conditioning and evacuation plans (in case of disaster) and increase awareness and advocacy.

**6.2: How Climate Risks Are Addressed in the Activity***

While the services are provided the contractor should be mindful to gather any information related to climate change, if applicable.

**7: Next Steps for Activity Implementation**

Develop specific environmental criteria as part of the grant selection process to identify, avoid, or minimize impacts and raise environmental awareness.

**8: Accepted Climate Risks***

None

**Next step: Accepted Risks Finished!**
ENVIRO
MENTAL 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 should 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: (as stated in the triggering IEE)</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>
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<tr>
<td>Building/Construction</td>
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<tr>
<td>Source Material Extraction</td>
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<td>Wastewater</td>
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<td>Historical or Cultural Preservation</td>
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<tr>
<td>Wetlands or Water bodies</td>
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<td></td>
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<tr>
<td>Threatened or Endangered Species</td>
<td></td>
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<tr>
<td>Other</td>
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</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, fluorescent 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, groundwater, 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
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)(l) 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 belowlist 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>
<tbody>
<tr>
<td>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</td>
<td>A single process may have several potential impacts—provide a separate line for each.</td>
<td>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</td>
<td>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.)</td>
<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.)</td>
</tr>
<tr>
<td>Processes</td>
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<td>Do the Impacts Require Further Consideration?</td>
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<tr>
<td>process.</td>
<td></td>
<td>severity, frequency, or duration</td>
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</tbody>
</table>

2. Activity-specific monitoring plan

<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
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