1. **Project and Activity Description**

1.1. **Purpose and Scope of Supplemental IEE**

This IEE has been prepared as a Supplemental IEE to the Economic Growth DOAG IEE, DCN: 2014-UKR-011, to include additional activities (a Grants under Contract component) under the Financial Sector Transformation (FST) activity (activity 1 “Develop the Financial Sector”). The life of project (LOP) and funding amount will not be modified. FST is a multi-year, $23 million USD project and it was procured under the Economic Growth DOAG IEE, which received both Categorical Exclusions and a Negative Determination with Conditions in 2014.
This supplemental IEE adds Grants under Contract activities and reviews the additional FST activities to ensure they meet the requirements for the determinations under which the Economic Growth DOAG operates. For any additional FST elements identified through this supplemental IEE which may have an impact on the environment, limitations and mitigation measures are specified to ensure they remain within the scope of 22 CFR 216.

2. Project Overview

The U.S. Government supports Ukraine as it moves to quickly implement the reforms necessary to bring the country together and to develop a sustainable economy, attractive investment climate, and transparent and accountable governance that is responsive to the concerns and aspirations of all Ukrainians. The United States fully supports the Government of Ukraine’s stated three priorities for Ukraine: advancing the Association Agreement with the European Union, security in the East, and fighting corruption. USAID is assisting Ukraine in achieving its stated priorities, with a focus on broad-based resilient economic development as a means to sustain Ukrainian democracy. In order to achieve the desired results, problems in structural economic weaknesses, inefficient use of energy resources, and disparities in economic empowerment for women and vulnerable populations must be addressed. In addition, strengthening private sector capacity and supporting the growth of small and medium-sized enterprises and the middle class is critical to economic stability. Efforts to fight corruption in the business environment and to modernize key sectors, such as agriculture, are essential as well.

Activities under FST will develop the financial sector based on these objectives, including activities which could work to increase financial sector stability and restore public trust in financial markets through provision of a wide range of financial services in order to reduce risk; strengthen supervision/regulation in order to improve market oversight and transparency; and improve information for citizens regarding financial products, services, and rights in order to make more educated financial decisions.

3. Project Description and Climate Risk Screening

The following activities are continuing and included in the FST activity:

<table>
<thead>
<tr>
<th>Illustrative Activities</th>
<th>Potential Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Draft legislation and regulations to increase financial sector stability and restore public trust in financial markets</td>
<td>Potential impact on environment and/or human health</td>
</tr>
<tr>
<td>1.2 Prepare special reports on strengthening supervision/regulation in order to improve market oversight and transparency</td>
<td>No adverse impacts are likely</td>
</tr>
<tr>
<td>1.3 Conduct information campaign for citizens regarding financial products, services, and rights</td>
<td>No adverse impacts are likely</td>
</tr>
<tr>
<td>1.4 Train secondary school teachers in financial literacy course, which among other topics will include aspects of responsive budget planning and understanding of such things as environmental tax on enterprises, social subsidies in planning family budget and responsive budget planning, including savings on more efficient use of energy resources.</td>
<td>No adverse impacts are likely</td>
</tr>
</tbody>
</table>

In addition, FST will undertake a grants under contract (GUC) component. GUC will mobilize and maximize the use of local non-governmental organizations (NGOs) and associations to engage the private sector, facilitate partnerships that leverage additional resources, and achieve sustainable development outcomes in order to build grassroots advocacy for financial sector reforms; advance financial consumer protection; develop financial sector alternative dispute resolution mechanisms; stimulate use of and demand for financial products and services; and promote financial literacy among consumers of financial products and services. GUC will focus on building the capacity of a range of national, regional, and local institutions. An in-kind GUC could be used, for example, to provide an association with new equipment or competencies that will increase its membership and revenue.
potential; raise its standing within relevant business and policymaking environments; develop and advance financial sector legislative reforms; or improve its ability to effect behavior change among suppliers and users of financial services. Activities will only be plug-and-play; no construction or infrastructure development is envisioned.

GUC will also target immediate economic opportunities for businesses, entrepreneurs, and first-time users of financial products and services. In designing and administering the GUC component, the Contractor will emphasize innovative approaches to facilitate the sustainable growth of high-potential bank and non-bank financial products and services. GUC could, for example, be used to help lenders identify new market segments and tailor their products accordingly; assist businesses and entrepreneurs access and manage financial services; or promote new or existing approaches to catalyzing borrowing and lending.

Grants and subcontracts will be issued by the Contractor primarily to local organizations (public and private) to achieve program objectives. The Contractor must endeavor, wherever possible, to issue grants with matching components from the grantees.

Climate risk management (CRM) for this activity has been conducted in accordance with CRM for USAID Projects and Activities, Mandatory Reference for ADS Chapter 201. CRM for the approved Mission CDCS (2018-2023) was conducted at the country strategy-level, with the expectation that subsequent climate risk screening will occur as part of the design process for projects and activities (e.g., at the PAD and activity-level). Therefore, climate risks have been assessed at the activity level and results of this assessment are summarized in the table below.

Activities under GUC will include the following:

<table>
<thead>
<tr>
<th>Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Climate Risk Rating*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5.1 Grants under contract to support training and capacity building, including technical assistance such as expert consultations, legal advice and counseling, dispute resolution, and support for management of financial services</td>
<td>No adverse impacts are likely</td>
<td>Low</td>
</tr>
<tr>
<td>1.5.2 Grants under contract to hold events (conferences, round tables) to build grassroots advocacy for financial sector reforms, to effect behavior change among supplies and users of financial services, and to promote new or existing approaches to catalyzing borrowing and lending</td>
<td>No adverse impacts are likely</td>
<td>Low</td>
</tr>
<tr>
<td>1.5.3 Grants under contract to conduct research and studies to explore new approaches to facilitating the sustainable growth of high-potential bank and non-bank financial products</td>
<td>No adverse impacts are likely</td>
<td>Low</td>
</tr>
<tr>
<td>1.5.4 Grants under contract to produce informational materials (leaflets, posters, brochures, publications) to build grassroots advocacy for financial sector reforms, to effect behavior change among suppliers and users of financial services, and to promote new or existing approaches to catalyzing borrowing and lending</td>
<td>No adverse impacts are likely</td>
<td>Low</td>
</tr>
<tr>
<td>1.5.5 Grants under contract for activities supporting the liquidity of financial institutions, including support to credit unions, incentivizing the use of certain financial products, and development of financial-technical products</td>
<td>No adverse impacts are likely</td>
<td>Low</td>
</tr>
<tr>
<td>1.5.6 Grants under contract for the procurement of equipment that increases financial institution membership and revenue potential</td>
<td>Potential impact on environment and/or human health</td>
<td>Low</td>
</tr>
<tr>
<td>1.5.7 Grants under contract to develop and advance financial sector legislative reforms</td>
<td>Potential impact on environment and/or human health</td>
<td>Low</td>
</tr>
</tbody>
</table>
3. Recommended Environmental Actions

3.1 Recommended Mitigation Measures

Table 3. Activity 1: FST

<table>
<thead>
<tr>
<th>Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
<th>Recommended Threshold Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Draft legislation and regulations to increase financial sector stability and restore public trust in financial markets</td>
<td>Potential for a negative impact of new legislation on the environment and/or human health</td>
<td>If the IP determines that the implementation of the proposed legislation may impact the environment and/or human health, the IP will encourage the assisted stakeholders to consider environmental implications and advocate the best international (EU compatible) approaches and practices, as well as provisions to strengthen awareness, considerations and inclusion of environmental issues into new legislation.</td>
<td>Negative Determination</td>
</tr>
</tbody>
</table>

Table 4. Activity 1.5: FST GUC

<table>
<thead>
<tr>
<th>Illustrative Activities</th>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
<th>Recommended Threshold Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5.6 Grants under contract for the procurement of equipment that increases financial institution membership and revenue potential</td>
<td>Potential for negative impacts associated with human health and safety and waste management</td>
<td>The IP will prepare a site-specific Environmental Review Checklists (ERCs) and Environmental Mitigation and Monitoring Plan (EMMP). Equipment procured by the project should include warranties and health and safety certificates, where appropriate, and should comply with Ukrainian standards for use. Packaging materials and old equipment should be properly disposed of (or recycled, where available).</td>
<td>Negative Determination</td>
</tr>
<tr>
<td>1.5.7 Grants under contract to develop and advance financial sector legislative reforms</td>
<td>Potential for a negative impact of new legislation on the environment and/or human health</td>
<td>If the IP determines that the implementation of the proposed legislative reforms may impact the environment and/or human health, the IP will encourage the assisted stakeholders to consider environmental implications and advocate the best international (EU compatible) approaches and practices.</td>
<td>Negative Determination</td>
</tr>
</tbody>
</table>

3.2 Recommended Environmental Determinations

**Categorical Exclusions**

A categorical exclusion threshold determination is recommended for the following identified activities under 22 CFR 216.2(c)(2):
- A categorical exclusion pursuant to 216.2(c)(2)(i) for education, technical assistance, or training programs except to the extent such programs include activities directly affecting the environment (e.g. construction of facilities) is recommended for activities 1.4, 1.5.1, and 1.5.5, from the Section 2 tables.

- A categorical exclusion pursuant to 216.2(c)(2)(iii) for analyses, studies, academic or research workshops and meetings is recommended for activities 1.2, 1.5.2, and 1.5.3, from the Section 2 tables.

- A categorical exclusion pursuant to 22 CFR 216.2(c)(2)(v) for document and information transfers is recommended for activities 1.3 and 1.5.4, from the Section 2 tables.

**Negative Determination with Conditions**

A negative determination with conditions is recommended pursuant to 216.3(a)(2)(iii) for activities 1.1, 1.5.6, and 1.5.7 from the Section 2 tables.

**3.3 Terms and Conditions**

4.3.1 For activities, which fall under the Negative Determination with Conditions category, the IPs should have an environmental specialist or a knowledgeable person on staff that can identify the potential for environmental impacts of the activities. Each professional person needs to have the right experience for each specific area.

4.3.2 For activities 1.1 and 1.5.7, if the IPs determines that the implementation of the proposed legislation/plans may impact the environment and/or human health, the IPs will encourage all assisted stakeholders to consider environmental implications of the proposed changes/new developments and to integrate environmental considerations into the proposed legislation/regulations/plans and their plans for the proposed legislation implementation in line with the best international (EU compatible) approaches and practices.

4.3.3 For activity 1.5.6, the IPs will prepare a site-specific ERCs and EMMP (Annex 1) and get approval from the Mission Environmental Officer (MEO) and Bureau Environmental Officer (BEO) before implementation of the projects. Prior to initiating activities that have the potential to result in significant adverse environmental, health, and safety impact, the IPs shall prepare EMMP(s) in the format provided in the Annex 1. The CORs/AORs, MEO, and BEO shall approve the EMMP(s) prior to implementation. For each site-specific activity, the EMMP(s), (attached to this IEE or the revised version, if appropriate) shall be attached to the signed Certification of No Adverse or Significant Effects on the Environment (Annex 1) and sent by the implementer to the CORs/AORs for his or her records and copied to the MEO and Europe and Eurasia BEO. After the IPs has finalized its activities at a specific site, the IPs shall sign a Record of Compliance with the EMMP (Annex 1) certifying that the organization met all applicable EMMP conditions and submit it to the CORs/AORs. The CORs/AORs shall keep the original for the project files and provide a copy to the MEO and BEO.

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

4.3.5 Changes in activities and their associated EMMPs shall necessitate amending the Economic Growth DOAG IEE or issuing a Memo to the File (depending on extent and potential impact of the changes)

4.3.6 For activities 1.5.1-1.5.7, the IPs will work with each grantee under contract to standardize their environmental review screening procedures so as to ensure that every grant is in compliance with the Economic Growth DOAG IEE, this Supplemental IEE, and Ukrainian laws and regulations regarding environmental protection.

**4. Limitations of this Supplemental IEE:**

This Supplemental IEE does not cover classes of actions normally having a significant effect on the environment under 22 CFR 216:

i. Programs of river basin development;

ii. Irrigation and water management;
iii. Agricultural land leveling;
iv. Drainage projects;
v. Large scale agricultural mechanization;
vi. Resettlement projects;
vii. New land development;
viii. Penetration road building and road improvement;
ix. Powerplants;
x. Industrial plants; and
xi. Potable water and sewerage projects

In addition, this Supplemental IEE does not cover activities that:

• Support project preparation, project feasibility studies, engineering design for activities listed in §216.2(d)(1);
• Affect endangered species;
• Provide support to extractive industries (e.g. mining and quarrying);
• Promote timber harvesting;
• Lead to construction, reconstruction, rehabilitation, or renovation work;
• Support agro-processing or industrial enterprises;
• Provide support for regulatory permitting;
• Lead to privatization of industrial facilities or infrastructure with heavily polluted property;
• Assist the procurement (including payment in kind, donations, guarantees of credit) or use (including handling, transport, fuel for transport, storage, mixing, loading, application, clean-up of spray equipment, and disposal) of pesticides or activities involving procurement, transport, use, storage, or disposal of toxic materials—pesticides cover all insecticides, fungicides, rodenticides, etc. covered under the Federal Insecticide, Fungicide, and Rodenticide Act; and/or
• Procure or use genetically modified organisms.

Any of these actions would require a Europe and Eurasia Bureau Environmental Officer (BEO) approved amendment to the Economic Growth DOAG IEE.

5. Mandatory Inclusion of Environmental Compliance Requirements in Grants, Solicitations, Awards, Budgets, and Work Plans

• Appropriate environmental compliance language, including limitations defined in Section 4, 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 the Economic Growth DOAG IEE and this Supplemental IEE.
• Grants and solicitations shall include Statements of Work with task(s) for meeting environmental compliance requirements and appropriate evaluation criteria.
• Environmental mitigation and monitoring requirements, when available, shall also be included in grants, solicitations and awards.
• The IPs shall incorporate conditions set forth in the Economic Growth DOAG IEE and this Supplemental IEE into their annual work plans.
6. **Revisions**

Under §216.3(a)(9), if new information becomes available that indicates that activities covered by the categorical exclusion might be considered major and their effect significant, or if additional activities are proposed that might be considered major and their effect significant, this categorical exclusion determination will be reviewed and, if necessary, revised by the Mission Environmental Officer (MEO) with concurrence by the BEO. It is the responsibility of the USAID Contract Officer’s Representative (COR)/Agreement Officer’s Representative (AOR) to keep the MEO and BEO informed of any new information or changes in the activity that might require revision of this determination.

7. **Recommended Environmental Threshold Decision Clearances:**

<table>
<thead>
<tr>
<th>Approval:</th>
<th>___________________________</th>
<th>6-4-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Susan K. Fritz, Mission Director</td>
<td>Date</td>
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<thead>
<tr>
<th>Clearance:</th>
<th>___________________________</th>
<th>5-29-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>John A. Pennell, Deputy Mission Director</td>
<td>Date</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Clearance:</th>
<th>cleaned via email</th>
<th>05-29-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Rush, Regional Legal Officer</td>
<td>Date</td>
<td></td>
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</tbody>
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<tr>
<th>Clearance:</th>
<th>___________________________</th>
<th>5-29-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Hatch, Program Office Director</td>
<td>Date</td>
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<tr>
<th>Clearance:</th>
<th>___________________________</th>
<th>05-29-19</th>
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</thead>
<tbody>
<tr>
<td>Larissa Piskunova, Deputy Mission Environmental Officer</td>
<td>Date</td>
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<tr>
<th>Clearance:</th>
<th>___________________________</th>
<th>05-29-19</th>
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</thead>
<tbody>
<tr>
<td>Andriy Nesterenko, FST COR</td>
<td>Date</td>
<td></td>
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<tr>
<th>Concurrence:</th>
<th>___________________________</th>
<th>05-29-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark Kamiya</td>
<td>Date</td>
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</tbody>
</table>

**Distribution:**
- IEE File
- MEO (to also provide a copy to AOR/COR)
ENVIRONMENTAL REVIEW CHECKLIST FOR IDENTIFYING POTENTIAL ENVIRONMENTAL IMPACTS OF PROJECT ACTIVITIES AND PROCESSES

for [Activity Name]

Implemented under: Financial Sector Transformation

DCN: 2019-UKR-049

Prepared by: [Implementer]
ENVIROMENTAL 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) is intended for use mainly 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 environmental mitigation and monitoring plans (EMMPs) that can effectively avoid or adequately minimize the identified effects. This ERC can also be substituted for other ERC versions that may have been attached to project 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. (When preparing the checklist, please indicate “not applicable” for items that have no bearing on the activity.)

A. Activity and Site Information

<table>
<thead>
<tr>
<th>Project Name: (as stated in the triggering IEE)</th>
<th>Financial Sector Transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission/Country:</td>
<td>Ukraine</td>
</tr>
<tr>
<td>DCN of Triggering IEE:</td>
<td>2019-UKR-049</td>
</tr>
<tr>
<td>Activity/Site Name:</td>
<td></td>
</tr>
<tr>
<td>Type of Activity:</td>
<td></td>
</tr>
<tr>
<td>Name of Reviewer and Summary of Professional Qualifications:</td>
<td></td>
</tr>
<tr>
<td>Date of Review:</td>
<td></td>
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</tbody>
</table>

B. Activity Description

1. Activity purpose and need
2. Location of activity
3. Beneficiaries, e.g., size of community, number of school children, etc.
4. Number of employees and annual revenue, if this is a business
5. Implementation timeframe and schedule
6. Detailed description of activity and site, e.g., size of the facility or hectares of land; steps that will be taken to accomplish the activity
7. 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
8. Site map, e.g., provide an image from Google Earth of the location
9. Photos of site (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

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>
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<tr>
<td>Building/Construction</td>
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<tr>
<td>Source Material Extraction</td>
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<tr>
<td>Waste Disposal</td>
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<tr>
<td>Wastewater</td>
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<tr>
<td>Storm Water Management</td>
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<tr>
<td>Air Quality</td>
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<tr>
<td>Water Use</td>
<td></td>
<td></td>
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<tr>
<td>Historical or Cultural Preservation</td>
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<tr>
<td>Wetlands or Water bodies</td>
<td></td>
<td></td>
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<tr>
<td>Threatened or Endangered Species</td>
<td></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 likely to have 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?

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 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?
   
b. Will the activity disturb wetland, lacustrine, or riparian areas?
   
c. What is the depth to groundwater at the site?
   
d. Will the activity result in increased ground or surface water extraction? If so, what are the volumes? Permit requirements?
   
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 (if the applicable IEE requires the use of ERCs to perform further analysis of recommended actions, then check the appropriate box below. If this analysis is not required, then skip this and proceed with Section H. If required by the IEE, the ERC shall be copied to the Bureau Environmental Officer (BEO)).

☐ 1. Categorical Exclusion: The activity is not likely to have an effect on the natural or physical environment. No further environmental review is required.*

☐ 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. EMMPs shall be developed, approved by the Mission Environmental Officer (MEO) (and the BEO if required by the IEE) prior to beginning the activity, incorporated into workplans, and then implemented. 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 must be prepared and be submitted to the BEO for approval. Following BEO approval an Environmental Assessment (EA) will be conducted. The activity may not be implemented until the BEO clear the final EA. For activities related to the procurement, use, or training related to pesticides, a PERUSAP will be prepared for BEO approval.

☐ 4. Activity Cancellation: The activity poses significant and unmitigable adverse environmental effects. Adequate 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, or its equivalent, 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>
<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 process.</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 severity, frequency, or duration</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>
</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.)</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>
I. 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 G. 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 1 or its equivalent.

Implementer Project Director/COP Name

Date

J. Approvals:

USAID COR/AOR Name

Date

Mission Environmental Officer Name

Date

Distribution:

• Project Files

• Bureau Environmental Officer
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 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
<table>
<thead>
<tr>
<th>1.1: Activity</th>
<th>1.2: Timeframe *</th>
<th>1.3: Geography</th>
<th>2: Climate Risks*</th>
<th>3: Adaptive Capacity*</th>
<th>4: Climate Risk Rating of DO or IR* [Enter rating for each DO or IR* 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 Project and/or Activity Design</th>
<th>8: Accepted Climate Risks*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5.1 Grants under contract to support training and capacity building, including technical assistance such as expert consultations, legal advice and counseling, dispute resolution, and support for management of financial services</td>
<td>0-10 years</td>
<td>Country-wide</td>
<td>-Lack of equitable access to financial markets and tools for marginalized populations due to impacts from climate stressors</td>
<td>-Although some steps have been taken within the institutional framework to expand knowledge base on climate risks in the economic sector, the developments have been modest and climate information is not well incorporated in economic planning</td>
<td>Low</td>
<td>-Improved and more inclusive financing mechanisms can promote investment in and expansion of climate risk management across key sectors, including energy, agriculture and health</td>
<td>-Support finance and insurance mechanisms that show high resilience to climate risks and/or are target climate risk management activities</td>
<td>Climate risk rating is Low, and as such is not addressed in the strategy</td>
<td>n/a</td>
<td>n/a</td>
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<tr>
<td>1.5.2 Grants under contract to hold events (conferences, round tables) to build grassroots advocacy for financial sector reforms, to effect behavior change among suppliers and users of</td>
<td></td>
<td></td>
<td>-Decreased opportunities to demonstrate success of innovative finance solutions due to market disruption and damage caused by extreme weather</td>
<td>-Human and financial capacities of</td>
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<td>Financial Services</td>
<td>Impact to Implement</td>
<td>Support Development</td>
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<td>1.5.3 Grants under contract to conduct research and studies to explore new approaches to catalyzing borrowing and lending</td>
<td>- Increased need for financial tools and instruments (e.g., insurance and credit) to consider and address climate stressors (e.g., insurance and credit) to consider and address climate stressors</td>
<td>- Support development of contingency budget reserves and/or insurance mechanisms to address damages and/or unexpected service disruption</td>
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<tr>
<td>1.5.4 Grants under contract to produce informational materials (leaflets, posters, brochures, publications) to build grassroots advocacy for financial sector reforms to effect behavior change among suppliers and users of financial services</td>
<td>- Increased risks to lending portfolios with infrastructure and other assets likely to be affected by coastal erosion and sea level rise</td>
<td>- Support development of contingency budget reserves and/or insurance mechanisms to address damages and/or unexpected service disruption</td>
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<td>- Impacts to implementation of financial sector reforms to effect behavior change among suppliers and users of financial services, events and meetings, training, and to promote new or existing approaches to catalyzing borrowing and lending</td>
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<td>Grants under contract for activities supporting the liquidity of financial institutions, including support to credit unions, incentivizing the use of certain financial products, and development of financial-technical products</td>
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<td>extreme weather events</td>
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1.5.6 Grants under contract for the procurement of equipment that increases financial institution membership and revenue potential

1.5.7 Grants under contract to develop and advance financial sector legislative reforms

DCN: 2019-UKR-049