REQUEST FOR CATEGORICAL EXCLUSION and INITIAL ENVIRONMENTAL EXAMINATION

PROGRAM/ACTIVITY DATA:

Program/Activity Number: 263-0306

Country/Region: Egypt

DO: Government Responsiveness to Rights of the People Strengthened

Program/Activity Title: Inclusive Economic Governance Project Approval Document (PAD)

Project/Activity Implementation: June 2019 through December 2026

LOP Amount: USD 200 Million

Prepared By: Stuart Banashek

Current Date: 6/10/19

Amendment (Y/N): N

1. SUMMARY OF FINDINGS:

Categorical Exclusion (CE) is recommended for all activities under the Inclusive Economic Governance Project per CFR 216.2 (c)(2)(i), CFR 216.2 (c)(2)(iii), and CFR 216.2 (c)(2)(viii); and

Negative Determination with Conditions is recommended for the small-scale construction components under the Empowering Women and Girls and Strengthening Resilience of Marginalized Communities activities per 22 CFR 216.3 (4)(3)(iii) with the condition that the implementing partner follow the Sector Environmental Guidelines mitigation measures and document through the environmental mitigation and monitoring plan.

<table>
<thead>
<tr>
<th>Results</th>
<th>Activity</th>
<th>Basis for Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result 1: Increased Accountability and Efficiency of Public Institutions</td>
<td>Governance Reform Management</td>
<td>Consists of technical assistance and training CE relying on 216.2(c)(2) (i) and (iii)</td>
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<td></td>
<td>Economic Courts</td>
<td>Consists of technical assistance and training CE relying on 216.2(c)(2) (i) and (iii)</td>
</tr>
<tr>
<td>Result 2: Reduced Barriers to Women’s Economic and Social Participation</td>
<td>Governance Reform Management</td>
<td>Consists of technical assistance and training, therefore, they are categorically excluded from further analyses per 216.2(c)(2)(i) and (iii), except for structural construction and/or facility rehabilitation under the Empowering Women and Girls activity for which the Mission recommends a negative determination with conditions in accordance with 216.3 (a) (3) (iii).</td>
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<tr>
<td></td>
<td>Empowering Women and Girls</td>
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<td></td>
<td>Access to Government Services</td>
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<tr>
<td></td>
<td>Public Service Capacity</td>
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<tr>
<td>Result 3: Reduced Barriers to Marginalized Communities Economic and Social Participation</td>
<td>Strengthening Resilience of Marginalized Communities</td>
<td>Consists of technical assistance and training and healthcare provision therefore, they are categorically excluded from further analyses per 216.2(c)(2) (i), and (viii) except for construction and/or rehabilitation of harabas, underground cisterns, for storing water for which the Mission recommends a negative determination with conditions in accordance with 216.3 (a) (3) (iii).</td>
</tr>
</tbody>
</table>
2. BACKGROUND AND PROJECT/ACTIVITY DESCRIPTION:

2.1 Purpose and Scope of IEE

The purpose of IEE, in accordance with 22 CFR 216, is to provide the first review of the reasonably foreseeable effects on the environment, as well as recommended Threshold Decisions, for the PAD activities mentioned below.

2.2 Background

Egypt is pursuing an unprecedented comprehensive economic reform program. These reforms have stabilized the economy, raised Gross Domestic Product (GDP) growth, reduced inflation and expanded employment. However, structural reforms aimed at improving the macro-economic investment environment cannot result in sustained, inclusive growth without pairing them with steps to reduce corruption, make government policy planning more inclusive and transparent, fully include women in the labor force, support marginalized populations to more fully include them in Egyptian life, and expand access to more efficient public services. These same factors are priority areas in Egypt’s Journey to Self-Reliance (J2SR). Without addressing these commitment and capacity issues, Egypt will not be able to sustain its current, positive macroeconomic trajectory, and could result in a greater risk for economic and political instability. Further, by helping increase the transparency, accountability and inclusion of Egyptian governance systems, the U.S. Agency for International Development (USAID) will support more stable Egyptian institutions that are resilient to regional political dynamics and increased dependence on foreign powers.

This Inclusive Economic Governance project (IEGP) will help ensure economic growth is sustainable and benefits all Egyptian citizens more equitably. By increasing the accountability and efficiency of public institutions and reducing the barriers to economic and social participation for women, minority communities, and marginalized communities, the project will achieve its purpose of strengthened inclusion in and transparency of governance systems.

The activities of this project serve the purpose of “Inclusion in and transparency of governance systems strengthened”. The project purpose will be achieved through six main components, (1) increasing the ability of the Government of Egypt (GOE) to manage its institutional, procedural, and policy reforms so that policy makers have more accurate and inclusively-sourced information to inform their decisions; (2) increasing public service capacity so that GOE officials implementing reform programs are more transparent and accountable to its citizens; (3) increasing access to government services to extend the benefits of economic reform broadly to the Egyptian people; (4) increasing the efficiency of Egypt’s Economic Courts to improve commercial dispute resolution and enforcement, and increase business and public confidence.
to invest in Egypt; (5) empowering women and girls to overcome barriers to their economic and social participation; and, (6) strengthening the resilience of marginalized communities throughout the country to aid their participation in the social and economic fabric of Egypt.

To accomplish its purpose, the activities of the PAD will achieve the following results:

**Result 1:** Increased Accountability and Efficiency of Public Institutions

**Result 2:** Reduced Barriers to Women’s Economic and Social Participation

**Result 3:** Reduced Barriers to Marginalized Communities’ Economic and Social Participation

To achieve the expected results, the IEGP will operate in six interrelated priority areas of action:

1. Governance Reform Management
2. Public Service Capacity
3. Access to Government Services
4. Economic Courts
5. Empowering Women and Girls
6. Strengthening Resilience of Marginalized Communities

2.3 Description of Activities and their potential environmental impacts

2.3.1 Governance Reform Management

- In partnership with local think tanks and universities the activity will conduct academic research and sponsor forums and workshops on economic governance benchmarking indicators.

- Develop training material for GOE on statistical and operational issues related to indicator tracking. The process will include curriculum design, pilot training development, training of trainers in relevant GOE ministries, and deliver pilot courses.

- Conduct training on how governance indicators are measured and collected, assess GOE electronic systems, and solicitation of feedback from relevant GOE entities.

**Environmental Considerations and Threshold Determinations:**

- **Categorical Exclusion:** In accordance with 22 CFR 216.2 (a) (2) (i) and (iii); the activities under this component are “(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.); or (ii) analyses, studies, academic or research workshops and meetings;” in nature.
2.3.2 Public Service Capacity

- Provide technical assistance to GOE to assess its audit capabilities and develop a work plan to provide technical support and recruit skilled local or international short-term expertise to work with the selected entities.

- Assess GOE anti-corruption training plans and develop curriculum, course delivery systems, training trainers courses training materials, selection criteria for participants and pilot(s) to test systems.

- Assess and develop anti-corruption and related economic governance training programs for partner entities within GOE. Review Egypt’s laws and regulations related to the topic, as well as current issues with compliance and enforcement.

Environmental Considerations and Threshold Determinations:

- **Categorical Exclusion:** In accordance with 22 CFR 216.2 (a) (2) (i) and (iii); the activities under this component are “(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.); and (iii) analyses, studies, academic or research workshops and meetings;” in nature.

2.3.3 Access to Government Services

- Provide technical assistance packages to support adoption of new service delivery models, including conferences, study tours.

- Support for the development of automated features and installation of equipment, hardware, software in order to select, design, build and install a scalable automated functions.

- Provide comprehensive technical advisory support services to plan, implement, and pilot new service delivery models, redirection of the work of existing entities, or through the introduction of new service delivery technologies such as e-government.

- Procurement of computers, software, and electronic equipment

Environmental Considerations and Threshold Determinations:

- **Categorical Exclusion:** In accordance with 22 CFR 216.2 (a) (2) (i) and (iii); the activities under this component are “(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.); and (iii) analyses, studies, academic or research workshops and meetings;” in nature.
2.3.4 Economic Courts Efficiency

- Support technical assistance packages for the adoption of automated electronic case filing and processing, e-litigation, and related development.
- Provide technical assistance, equipment, hardware, software and software development in order to select, design, build and install a scalable automated court system.
- Sponsor capacity building and training to economic courts judges, court staff, key stakeholders and others involved in using, maintaining, populating and ensuring the usability of the automated court system.
- Procurement of information, communication, technology (ICT) hardware and software.

Environmental Considerations and Threshold Determinations:

- Categorical Exclusion: In accordance with 22 CFR 216.2 (a) (2) (i) and (iii); the activities under this component are “(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.); or (iii) analyses, studies, academic or research workshops and meetings;” in nature.

2.3.5 Empowering Women and Girls

System Strengthening:
- Provide technical assistance to advance the legal and regulatory environment and to strengthen the enforcement of laws and regulations protecting women and girls from gender based violence (GBV).
- Support research, dialogue, advocacy and other activities that promote new or sustain existing legal frameworks that benefit women and target specific obstacles to women’s participation in the economy.
- Support through technical assistance efforts to build a broader coalition of organizations, with diverse representation from the public and private sectors, to advocate for women’s inclusion in society and the economy.
- Support research, dialogue, and advocacy for transportation systems safe and secure for women.

Access to Services:
- Develop and execute continuing education and training at the national and local levels regarding women’s empowerment and prevention and response to violence against women for Egyptian leaders such as members of parliament, judiciary, national and local government officials, and civil society advocates.
• Assess capacity and develop professional and standardized best practices for social workers, healthcare providers and judicial professionals to identify, monitor, investigate and support women and children who are subject to violence.

• Create, upgrade, and/or support existing protection facilities for women to engage in discussion on issues of importance to them that may be viewed as controversial to the broader community.

• Develop and roll-out specialized sport, art or other classes/programs of interest for children seeking support services as a result of GBV.

Social and Behavior Change

• Work with religious and community leaders and the media to raise awareness about the negative impacts of violence against women and children.

• Education to shift individual knowledge, attitude and practice of violence against women.

• Support innovative awareness-raising campaigns that target social attitudes about women and women’s economic participation in Egypt.

• Engage in public education campaigns and community outreach on women’s economic empowerment; social empowerment; protection; and, with a specific focus on GBV.

Economic Empowerment

• Provide technical assistance for building the capacity of women and disadvantaged group owned businesses.

Environmental Considerations and Threshold Determinations:

- Categorical Exclusion: In accordance with 22 CFR 216.2 (a) (2) (i) and (iii); the activities under this component are “(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.); or (iii) analyses, studies, academic or research workshops and meetings;” in nature.

- Negative Determination with Conditions: In accordance with 22 CFR 216.3 (a) (3) (iii) for activities involved the refurbishment of existing or construction of protection facilities for women. The implementing partner will follow the Construction Guidance and mitigation measures.

2.3.6 Strengthening Resilience of Marginalized Communities
• In partnership with local organizations, sponsor forums, workshops, and trainings on civic engagement, healthcare, entrepreneurship, and technical vocational skills for youth, community volunteers, civic leaders, and others.

• Construct or refurbish existing harabas, underground cisterns, for storing water.

• Engage in education campaigns and community outreach on issues specific to living in a conflict zone and community engagement.

• Support the creation and outfitting of emergency and disaster mobile units for rapid deployment in conflict in marginalized communities.

**Environmental Considerations and Threshold Determinations:**

- **Categorical Exclusion:** In accordance with 22 CFR 216.2 (a) (2) (i) and (viii); the activities under this component are “(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.); or (iii) analyses, studies, academic or research workshops and meetings;” in nature.

- **Negative Determination with Conditions:** In accordance with 22 CFR 216.3 (a) (3) (iii) for activities involved the construction or refurbish existing harabas, underground cisterns, for storing water. The implementing partner will follow the Construction Guidance and mitigation measures.

**3. MONITORING**

For components that received a negative determination with conditions, the implementing partner (IP) will use the sector environmental guidelines to identify environmental threats and their mitigation conditions. The conditions will be monitored using the attached or any suggested Environmental Monitoring and Mitigation Plan (EMMP) submitted by the IP to the C/AORS with the first work plan.

**4. COUNTRY AND ENVIRONMENTAL INFORMATION (Baseline Information)**

4.1 Locations Affected: Nationwide

4.2 National/Host Country Environmental Policies and Procedures:

According to Law 4/1994, Law of the Environment and its Executive Regulations (ERs), the project proponent must prepare an Environmental Impact Assessment (EIA) for new projects and/or extension of existing facilities. According to the law, the EIA must be submitted to the Competent Administrative Authority (CAA) under whose jurisdiction the project falls.
5. CLIMATE RISK MANAGEMENT:

As per the ADS 201, USAID shall factor climate resilience into international development programs and investments. Therefore, the design team and/or implementing partner will identify expected climate change impacts over the life of the activity’s expected benefits and (if appropriate) demonstrate how those risks will be reduced in order to ensure sustainability of the activity’s objectives.

A climate risk screening was completed by USAID/Egypt in December 2015. The screening determined that activities Education and Democracy and Governance activities of which this activity falls under are considered low risk. The climate risk screening for is on file with the mission and the Regional Environmental Advisor.

6. REVISIONS:

If during implementation, activities are considered under this Initial Environmental Examination (IEE) that are outside the above framework, activities other than those described in the subject categories and that directly affect the environment, an amended IEE shall be submitted for concurrence.
Environmental Mitigation & Monitoring Plan (EMMP)

An EMMP should either be included in or developed for (1) all IEEs that have at least one “Negative Determination with Conditions” (or for activities for which an environmental review has been completed pursuant to an IEE requirement) and (2) all Environmental Assessments (EAs).

If the EMMP is not developed as part of the IEE, the implementing partner should usually lead development of the EMMP, subject to review and oversight by the MEO and COTR/AOTR.

In all cases, the tasks identified in the EMMP are incorporated into the implementing partner’s Work Plan, budget, and reporting.

The following EMMP format is recommended. It can be adapted, as necessary.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Mitigation Measure(s)</th>
<th>Monitoring Indicator(s)</th>
<th>Monitoring and Reporting Frequency</th>
<th>Party(ies) Responsible</th>
<th>Indicative Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>List all activities in IEE that received a “negative determination with conditions.”</td>
<td>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>
<td>For example: “monitor weekly, and report in quarterly reports. If XXX occurs, immediately inform USAID activity manager.”</td>
<td>If appropriate, separately specify the parties responsible for mitigation, for monitoring and for reporting.</td>
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</tbody>
</table>
APPROVAL OF ENVIRONMENTAL ACTION RECOMMENDED:

APPROVAL:
A/D/Mission Director: Nancy Fisher-Gormley  Date: 6-20-19

CONCURRENCE:
Bureau Environmental Officer: John Wilson  Date: 6/27/2019

ADDITIONAL CLEARANCES:
D/Mission Environmental Officer: Stuart Banashek  Date: June 20, 2019
Office of Democracy and Governance Director: Kevin Dean  Date: 6/20/19
A/Regional Environmental Advisor: Anan Masri  Date: 6-18-2019