1. Background and Project Description

1.1. Purpose and Scope of IEE: This IEE has been prepared as a Supplemental IEE for the Moldova Structural Reform Program under the Moldova Economic Growth Project (MEGP) IEE, DCN: 2015-MOL-001. This IEE is to cover the activities of Moldova Structural Reform Project (MSRP) which falls under the MEGP project and linked to the Moldova Country Development Cooperation Strategy (CDCS). The Supplemental IEE reviews the Moldova Structural Reform Project elements to ensure they meet the requirements for Categorical Exclusion and Negative Determination with Conditions under which the MEGP PAD operates. For any Moldova Structural Reform Project elements identified through this Supplemental IEE which have an impact on the environment, limitations will be specified to ensure they remain within the scope of determinations per 22CFR216.2(c).

1.2. Project Overview: The purpose of the Moldova Structural Reform Program is to improve the business and trade enabling environment in Moldova by helping Government of Moldova institutions and private sector accelerate the implementation of trade liberalization mechanisms, adopt structural and business enabling reforms, and improve strategic communications between private and public actors. To make reforms successful, MSRP is not only involving trade-related
and line agencies, but also involves bodies in the legislative and judicial branches of government and other stakeholders (including business associations, chambers of commerce, and NGOs). MSRP is working to improve staff capacity and procedures within key ministries of the GOM which need to be addressed in order to meet the commitments contained in the various trade agreements. Staff and members of the Parliament need to become better cognizant and more conversant with issues attendant to trade liberalization, particularly on legislative drafting and responding to public advocacy concerning business, trade and commercial issues. The cross-cutting elements of MSRP activity are working to cut red tape, devise a system of regulation where costs are in proportion to benefits, and minimize human contact and the potential for corruption by using information technology and web-based applications.

1.3. **Project Description:** The MSRP project involves four major components:

*Component 1:* Improve Compliance and Implementation of International Trade Agreements: Moldova proposed a detailed action plan under its WTO Accession Package for implementation. The Contractor shall review the status of implementation the WTO TFA Action Plan and will recommend TA for specific areas that were not implemented and are in line with the overall this program’s purpose.

A WTO Self-assessment process in summer 2014 identified a series of assistance gaps (A detailed analysis, as of June 2015, of the Moldova Compliance and possible assistance gaps is presented in Annex 2 of the Assessment of Moldova’s Business Environment – Gaps and Opportunities for USAID BRITE in Year 4. See [https://dec.usaid.gov](https://dec.usaid.gov))

Although not reflected in the WTO TFA commitments, support efforts are needed to allow the private sector to better take advantage of the provisions of the agreement. In this vein, the Contractor shall conduct a Trade Corridor Assessment that will provide a plan for making Moldova’s unique geographic position a bonus by making it the crossroads of commerce for the region. The corridor agenda is increasingly widely adopted by governments, the private sector, and development agencies. There is a realization that poor corridor performance can hurt the economic prospects, especially of landlocked developing economies, with disproportionate impacts on their small and medium-size enterprises.

The EU is now Moldova’s most important trading partner, with a share of about half of Moldova’s total trade. The Association Agreement ratified in September 2014 contains a chapter of enforceable obligations known as the Deep and Comprehensive Free Trade Area (DCFTA). While the TFA aims to enhance trade facilitation, particularly by making the entry of goods into and through Moldova speedier and less costly, the DCFTA has the effect of fundamentally integrating Moldova’s economy into the greater EU region.

The DCFTA obligations cover a series of matters, including a nearly complete elimination of all import duties and prohibition of export duties on all goods on the EU side and implementing a comprehensive set of rules of origin. The Contractor shall review the status of implementation of the DCFTA policy objectives and will recommend activities to tackle specific areas of reforms that were not implemented. (A detailed analysis of the DCFTA Action Plan and implementation Gaps is presented in Annex 2 of the Assessment of Moldova’s Business Environment – Gaps and Opportunities for USAID BRITE in Year 4.) Good coordination with other donors, and especially with the EU delegation-funded projects supporting the DCFTA implementation is a requirement.
**Illustrative Activities:**

Provide technical assistance on trade facilitation (e.g., legal gap analysis, policy reform, international standards, etc.);

Provide implementation assistance on IPR, TBT, SPS, Trade in Goods, Competition, Transparency, Investment, Consumer Protection, and Customs;

Trade corridor assessment carried out and results discussed with stakeholders.

**Component 2: Pursue Structural Reforms to Improve the Business Enabling Environment:** The Contractor shall assess the level of implementation of the Association Agreement objectives that are in line with the overall scope of the contract and shall recommend activities to streamline the process of structural adjustments of the Moldovan economy with that of the EU. The EU-Moldova Association Agreement comprises a myriad of objectives that aim to integrate the Moldovan economy with that of the EU. It sets out objectives in areas such as: sustainable development and transparency, public procurement, services, competition policy, intellectual property, etc.

A modern commercial law framework, which reduces transaction costs and increases legal certainty for commercial actors, is important to economic growth and integration but generally has not been addressed in trade agreements. The lack of a uniform legal regime governing cross-border commercial transactions harms SMEs more than larger companies, as SMEs generally do not have the extensive in-house legal staff necessary to adapt to varying legal systems. Harmonization of commercial law frameworks thus makes it easier to do business internationally, for both large and small commercial actors, by reducing their legal risks.

To further these goals, the Contractor shall promote understanding and implementation of international legal instruments for legal harmonization across borders and shall support the GOM agenda that relates to ratification (for treaties) or for implementation (for soft-law instruments) of existing instruments that have been developed multilaterally through the UN Commission on International Trade Law (UNCITRAL), the International Institute for the Unification of Private Law (UNIDROIT), and the Hague Conference on Private International Law. Potential areas to address may include secured transactions (e.g., the Cape Town Convention), contract law (the UN Convention on Contracts for the International Sale of Goods), intermediated securities (e.g., the Hague Securities Convention and the Geneva Securities Convention), and electronic commerce (the UN Model Law on Electronic Commerce). Adoption and implementation will promote the realization of a digital economy by permitting paperless formation of contracts, insurance, bills of lading, letters of credit, and other financing instruments. Public Key Infrastructure (PKI) should reflect best practices and be cost efficient.

The Contractor shall assist the GOM in the removal of explicit and implicit barriers to growth for small and medium sized enterprises by focusing on a few areas of the World Bank Doing Business indicators, particularly trading across borders, dealing with construction permits, and getting credit. The financial sector stability; the inspections reform; the business reporting streamlining and facilitation of the implementation of the approved law on local trade notifications/authorizations are priority areas for the Contractor to work on.

Other topics, including “Streamlining of Labor Market Regulations” may be an area to also consider for support, if political will is present, and may be addressed at later stages of project implementation and in cooperation with other active donors. In all instances, the Contractor shall promote e-Government and digital commercial solutions in its activities. (The BRITE project and other programs made strides in the transition to conducting commercial and administrative transactions and reporting through digital means, but more remains to be done. Consideration should be given to how efforts under addressing other potential areas of Structural Reform, including the Ease of Doing Business 2.3 would help in this regard.)
Illustrative Activities:
- Provide training and implementation assistance on improving the business environment;
- Assessment and implementation assistance for the financial sector stability and soundness;
- Workshops, conferences on needs and prioritization;
- Provision of equipment, IT solutions, and services.
- Support for restructuring and privatization of state owned enterprises;
- Supporting Moldova’s efforts in implementing a public procurement systems reform;
- Support for development of an inclusive transportation country strategy;
- Support for reforms in construction regulatory framework
- Workshops, conferences on needs and prioritization;

Component 3: Engage Counterparts to Create Coalitions for Successful Outcomes through Strategic Communications: Strategic communication will generate momentum from planning through implementation stages for trade liberalization and structural reform. This component is aimed at overcoming challenges endemic in former Soviet Eastern European nations, particularly:

Successfully implemented, this component will result in a cohesive national communications strategy that will (1) improve the way information about reforms and the reform process is relayed to businesses and the public at large, (2) create increased opportunities for public-private dialogue in order to increase private sector input into the reform lifecycle, and (3) work with media outlets to develop a mechanism for pushing for/demanding and analyzing reforms.

Following the identification of relevant reforms to be pursued (both existing and future), the Contractor will develop a strategy to integrate communications activities into the entire process for each reform measure and use communications tools to create a critical mass of supporters for the reform proposed, in order to overcome resistance of the Government officials to change.

Subcontracts will be widely used to engage with local partners on communication efforts promoting, demanding or implementing reforms.

Principles of reform communication have been captured by USAID in a guide on Policy Reforms Lessons Learned (See http://www.bizclir.com/cs/policy_reform_lessons_learned), which provides a comprehensive framework for ensuring better understanding of, and buy-in to, the reform process.

Illustrative Activities:
- Political economy analyses regarding key interest groups and role in support of implementation of reform commitments;
- Economic investigative journalism to lobby for needed reforms and informing citizens on the Government non-performers;
- Local media outreach, including training and reporting;
- Communications materials and products supporting implementation of reforms produced;
- Increase private sector knowledge of trade requirements and international market opportunities;
- Strengthen indigenous SME business associations.

Component 4: Cross-Cutting Trade Corridor Enhancements Fund: Upon finalization of the of a trade corridor assessment, the Contractor will recommend selection criteria and process for the utilization of the fund to the Contracting Officers Representative for approval.

Illustrative Activities:
Modernize or increase capacity and operational efficiency of one/two border control points, by installing automation equipment;
Match some private sector investments in corridor development;
Procure systems within the transportation sector to facilitate the efficient movement of freight, etc.

2. Baseline Environmental Information
2.1. Locations Affected and Environmental Context:

Moldova has an area of 33,843 square km and a population of 2,998,200, according to 2014 census data. It is located at the intersection of three bio-geographic zones: the Central-European zone, the Euro-Asiatic zone, and the Mediterranean zone. Many species typical for each of these zones are at the limit of their natural range in Moldova. The country has a rich biota relative to its size, considering that the highest elevation point is only 430 m above the sea level. Today, natural ecosystems occupy approximately 10 percent of Moldova, but only about half (4.7 percent) of it has the status of protected areas. A significant proportion of this area is highly degraded. Agricultural lands cover 75 percent of the country. Native steppe and steppe associated wet meadows have been systematically converted to cropland and pastures. The extent of loss of steppe is not thoroughly documented, but less than one percent remains of some types of grassland and wet meadow ecosystems that were once common in Moldova. Forests cover only about 13 percent of the total area. Over half (53 per cent) of Moldovan forests are planted and almost all the rest (47 per cent) are semi-natural. There are practically no undisturbed forests in the country. The number of mammals, fish and birds in the critical and dangerous situation categories increased from 64 in 2005 to 98 in 2010.

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


The GOM has passed over 50 laws and regulations related to environmental protection and the Implementing Partners will be responsible to ensure their activities are in compliance with the USAID Environmental Regulations (title 22, CFR, Part 216) and also with applicable host country policies, laws, and regulations.

Environmental Legislation -

- Law on Environmental Impact Assessment #86, 2014
- Draft Law on Strategic Environmental Assessment, 2015
- The Law on Waste, 2014
- The Natural Resources Law, 1997 (as amended in 2013)
- The Environmental Protection Law, 1993 (as amended in 2012)
- The Riparian Zones Protection Law, 1995 (as amended in 2012)
- The Protected Areas Law, 1998 (as amended in 2013)
- The Fauna (Animal Kingdom) Law, 1995 (as amended in 2011)
- The Water Law, 2011
● The State Surveillance of Public Health Law, 2009
● The Ecological Network Law 2007 (as amended in 2010)
● The Local Green Areas Law, 1999 (as amended in 2010)
● The Plant Protection Law, 1999 (as amended in 2009)
● The Potable Water Law, 1999 (as amended in 2009)
● The Environmental Pollution Taxes Law, 1998 (as amended in 2008)
● The Biological Security Law, 2001 (as amended in 2007)
● The Air Protection Law, 1997 (as amended in 2007)
● The Hydro-meteorological Activities Law, 1998 (as amended in 2005)

Related Legislation -
● The Civil Code, 1996 (as amended in 2013)
● The Access to Information Law, 2000 (as amended in 2012)
● The Energy Efficiency Law, 2010
● The Settlements Sanitation Concept, 2007
● The General Product Safety Law, 2006
● The Law on Urban and Territorial Development Principles, 1997

National Policies -
● National Strategy on Water Resources Development, 2011

Executive Branch Regulations -
● Regulations on Water Pollution Prevention caused by Agricultural Activities, 2013
● The Sanitary Protection Zones of Water Intakes Regulations, 2013
● The Collection, Treatment and Discharge of Used Waters in Sanitation System and/or in Water Bodies Regulations, 2013
● The Underground Waters Quality Regulations, 2013
● The Drought Management Planning Regulations, 2013
● The Waters Use for Community, Irrigation and Piscicultue Needs Regulations, 2013
● The Management of Flood Risks Regulations, 2013
● Flood Protection Embankments Regulations, 2012
● The Regulations on Recreational Areas near Water Basins, 2002 (as amended in 2010)
● The Scheme of Localities for Floods Protection, GD#1030, 2000 (as amended in 2003)
● The Methodology for Assessing the Environmental Damage Caused as a Result of Water Law Breach, 2003
● The Wastes Delivery Regulations (2001)
● The Natural and Constructed Protected Areas Regulations, 2000
● The Framework Regulations on National Parks, Natural Monuments, Resource and Biosphere Protected Areas (2000)
● The Ministry of Health Requirements for Potable Waters for Decentralized Supply, Protection of Water Sources, and Arrangement and Maintenance of Wells (#06.6.3.18-96, 1996)
● The GD on Restoration of Degraded Lands (#404, 1994)
● Labor Safety Regulations -
● The Sanitary Regulation to Avoid Risks of Chemicals Presence at Workplace, 2013
● The GD on Workers Protection from Asbestos Exposure, 2013
● The Technical Regulations on Fire Protection in the Republic of Moldova (RT DSE 1.01-2005)
● The Norms for Labor Protection Measures, 2001

More comprehensive list of Moldova’s environmental laws and regulations is included in the approved AIM IEE (Pls. see: DCN: 2016-MOL-005).

2.3. Country/Ministry Environmental Capacity Analysis:

The primary central government institutions responsible for environmental protection and biodiversity conservation in Moldova are: the Ministry of Agriculture, Regional Development and Environment (MARDE), the Apele Moldovei Agency and the Agency Moldsilva (Moldova Forest Service).

The MARDE (www.mediu.gov.md) is the national environmental authority that develops and defines governmental policies related to the environmental protection, rational use of natural resources, waste management, biodiversity conservation and state control of ecological activities. The MARDE assesses and monitors biodiversity, manages some protected areas, coordinates environmental and climate change research, ensures cross-sectorial cooperation, monitors compliance, and develops reports on the state of the environment in Moldova. At the same time, the MARDE (together with its subordinated divisions and institutions) is the main governmental body responsible for ecological expertise and environmental impact assessment.

Moldsilva (www.moldsilva.gov.md) is a Ministerial level agency that manages forestry and game/hunting in the country through the implementation of policies and international treaties on rural development and employment, sustainable forest management and wildlife protection, conservation of biodiversity etc. Moldsilva is structured into 25 regional entities, including sixteen forest enterprise activities, four forestry and hunting enterprises, four state natural reserves and the Forest Research and Management Institute (ICAS). Activities of these entities are enacted through 82 local forest districts.

Environmental permitting and enforcement in the Republic of Moldova are performed by the State Ecological Inspectorate (SEI), which is subordinated to the Ministry of Agriculture, Regional Development and Environment (MARDE). The Agency “Moldsilva”, public institution on State policy in forestry and hunting, is also in charge of issuing permit on forest related issues. Other governmental agencies such as “Apele Moldovei” Agency, State Services for Public Health, and Agency for Geology and Mineral Resources are also involved in permitting procedure.

According to the 1993 Law on Environmental Protection, SEI performs State control regarding compliance with environmental legislation requirements. SEI also performs State ecological expertise and issues permits of emissions into the air and for the special use of water. The total staff of SEI is 310 persons, from which 59 are in the central body of the institution and 251 are assigned to the territorial units which include 4 ecological agencies located in Chisinau, Balti, Cahul, and Autonomous Territory of Gagauzia and 32 ecological inspections in raions.

One of the main constraints faced by the MARDE is lack of capacity to develop adequate legislation and to enforce it, including issues related to inadequate financial support, weak biodiversity conservation training programs, limited expert potential and low level of staffing for critical functions. The frequent reorganization of national and regional government agencies was certainly a source of confusion and complicated the horizontal cooperation of authorities enforcing environmental legislation. The changes in geographical coverage and the consequent transfers of files, changes in staff and leadership, and changes in priorities delayed the development of inter-
ministerial cooperation mechanisms. Environmental information from other governmental agencies often was not available to the MARDE even though it was required by law. The other governmental agencies lacked specialists and/or departments to deal with environmental issues.

2.4. **Sustainability Analysis**

The USAID Project Design Sustainability Analysis Tool provides sufficient guidance to ensure Moldova Structural Reform Program meets Agency sustainability requirements. Applying this tool to the Moldova Structural Reform Program, the design team concluded that the activity is environmentally friendly designed and fully sustainable; that is, all project results are designed to be sustainable due to significant partner country buy-in, good social soundness, minimal recurrent costs within the fiscal capacities of the host partner, and other factors. This conclusion is based on an analysis of the following project design sustainability factors:

There is demonstrable local demand and ownership of project activities, where a broad segment of the community has a stake currently or potentially in ensuring that the activity is developed in a sustainable way, considering the best practices in the sector and due to GoM commitments the planned activity will be continued after the USAID’s support ends. USAID will invest in local development opportunities found in Moldova’s grassroots political processes, and local governments and institutions. Only where strong political will and LPA’s partner motivation exist will USAID invest in these partners and activity, thereby ensuring their long-term sustainability.

USAID will develop the skills and capacity of local stakeholders whose involvement will be critical for maintaining development gains after the activity ends through a range of capacity building activities from training to coaching and mentoring to on-the-job skills development to strategic planning and thinking and, perhaps most importantly, through developing sustainable approaches that comply with best practices in the sector and generate real world experience and learning.

It is anticipated that the key interventions will not have any negative effect on the environment and human health. While some minor interventions may have effect on the environment and people health. In most cases, this environmental/health effect is deemed being mostly positive and beneficial for each nature component separately (rocks, relief, soil, air, climate, water, biodiversity) as well as for Moldova’s landscapes and ecosystems in general. The project’s activities sustainability, including its continuity after project’s completion will be ensured by the new regulations and structural recommendations and models elaborated with the project’s assistance, supported by GoM and also by the big number of newly trained servants that will continue to work in the reformed system.

2.5. **Climate Change Vulnerability Analysis:**

Moldova is a small land locked country with highly variable climate conditions at both: annual and seasonal levels. It has a temperate climate with short and relatively mild winters and long, warm, and sometimes, very dry summers. The country has highly variable rainfall levels, and drought-like conditions are common, especially for the central and southern part of the country. According to the Third National Communication of the Republic of Moldova under the United Nations Framework Convention on Climate Change (2015) Moldova is highly sensitive to climate changes and climate variability. At regional level the recent climate changes are manifesting mostly by increasing climate variability, reflected by both: a) increase in amplitude of temperature and precipitations variations at seasonal and yearly levels and also b) by general increase of the
frequency and the number of diverse weather anomalies, like: severe droughts, high temperature waves during the summer, heavy rainfalls, frosts, strong wind and hurricanes, etc. Climate and weather-related impacts are expected to intensify as changes in temperature and precipitation affect economic activity and especially the agriculture sector of the country. The analysis of the air annual average temperature during 2007–2018, as compared to the multiannual average shows that this period is characterized by significant thermal anomalies, especially in 2007 and 2012 which are considered to be the hottest years in the last 120 years.

This analysis has been performed as part of the MEGP PAD design, though the attached CRM screening has been prepared as part of this Supplemental IEE for new activities. Given the nature of Moldova Structural Reform Program, the majorities of planned interventions are not sensitive to climate changes and will have no impact either positive or negative on regional climate change. The implementing partner, under guidance and monitoring of COR/AOR and MEO must ensure timely consideration and appropriate mitigations of all climate sensitive issues related to planned activities.
3. **Analysis of potential Environmental Impact**: It is intended that information from this analysis be adequate for identifying any and all mitigation measures necessary to avoid or sufficiently reduce impacts. If an activity is a Categorical Exclusion use None Applicable (NA) for the potential impact. If an activity is Negative Determination with Conditions or Positive Determination use Potential Impacts to land, water, air, human health before describing impact.

**Component 1: Improve Compliance and Implementation of International Trade Agreements**

<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>1.1 Provide technical assistance on trade facilitation (e.g., legal gap analysis, policy reform, international standards, etc.);</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to follow best practices in the sector and ensure they consider climate resiliency and environmental protection issues into training agenda, in planning reforms</td>
</tr>
<tr>
<td>1.2 Provide implementation assistance on IPR, TBT, SPS, Trade in Goods, Competition, Transparency, Investment, Consumer Protection, and Customs;</td>
<td>Minimal adverse impact is possible.</td>
<td>None anticipated</td>
<td>Low</td>
<td>Implementer will recommend the GOM to incorporate environmental and health considerations into regulations on IPR, TBT, SPS, Trade in Goods, Competition, Transparency, Investment, Consumer Protection, and Customs.</td>
</tr>
<tr>
<td>1.3 Trade corridor assessment carried out and results discussed with stakeholders</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to follow best practices in the sector and ensure they consider climate resiliency and environmental protection issues into training agenda, in planning reforms.</td>
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</table>

**Component 2: Pursue Structural Reforms to Improve the Business Enabling Environment**

USAID/Moldova/Moldova Structural Reform Project (MSRP)
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<thead>
<tr>
<th>Defined/Illustrative Activities</th>
<th>Potential Impacts</th>
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<th>Opportunities for Climate Resiliency</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Provide training and implementation assistance on improving the business environment;</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Implementer will recommend the GOM to incorporate environmental and health considerations into regulations for the businesses. The environmental and climate risk management issues will be considered in training’s agendas.</td>
</tr>
<tr>
<td>2.2 Assessment and implementation assistance for the financial sector stability and soundness</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>The IP will apply the best practices in the sector and ensure that financial standards comply with the EU directives.</td>
</tr>
<tr>
<td>2.3 Workshops, conferences on needs and prioritization</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>The training agenda will consider climate resiliency, health and environmental protection issues.</td>
</tr>
<tr>
<td>2.4 Provision of equipment, IT solutions, and services</td>
<td>Minimal adverse impact is possible.</td>
<td>None anticipated</td>
<td>Low</td>
<td>The IP will ensure that the equipment/IT solutions and services comply with the best practices in the sector and consider climate resiliency, health and environmental protection issues.</td>
</tr>
<tr>
<td>2.5 Support for restructuring and privatization of state owned enterprises</td>
<td>Minimal adverse impact is possible.</td>
<td>None anticipated</td>
<td>Low</td>
<td>Implementer will advise the assisted GOM organizations to consider environmental,</td>
</tr>
<tr>
<td>Defined/Illustrative Activities</td>
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<tr>
<td>2.6 Supporting Moldova’s efforts in implementing a public procurement systems reform.</td>
<td>Minimal adverse impact is possible.</td>
<td>None anticipated</td>
<td>Low</td>
<td>Implementer will advise the assisted GOM organizations to consider environmental and health impacts of draft laws and/or regulations and address those impacts appropriately</td>
</tr>
<tr>
<td>2.7 Support for development of an inclusive transportation country strategy</td>
<td>Minimal adverse impact is possible.</td>
<td>Minimal adverse impact is possible.</td>
<td>Low</td>
<td>Implementer will advise the assisted GOM organizations to consider environmental, climate and health impacts of draft laws and/or regulations and address those impacts appropriately</td>
</tr>
<tr>
<td>2.8 Support for reforms in construction regulatory framework</td>
<td>Minimal adverse impact is possible.</td>
<td>Minimal adverse impact is possible.</td>
<td>Low</td>
<td>Implementer will advise the assisted GOM organizations to apply best practices in the sector and deeply consider environmental and health impacts of draft laws and/or regulations and address those impacts appropriately</td>
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</table>

Component 3: Engage Counterparts to Create Coalitions for Successful Outcomes through Strategic Communications
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<thead>
<tr>
<th>Defined/Illustrative Activities</th>
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<th>Opportunities for Climate Resiliency</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Political economy analyses regarding key interest groups and role in support of implementation of reform commitments;</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to ensure they incorporate climate resiliency and environmental protection considerations into the findings of the analysis</td>
</tr>
<tr>
<td>3.2 Economic investigative journalism to lobby for needed reforms and informing citizens on the Government non-performers</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to ensure they incorporate climate resiliency and environmental protection considerations into reforms agenda</td>
</tr>
<tr>
<td>3.3 Local media outreach, including training and reporting;</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to ensure they promote climate resiliency, health and environmental protection approach and ensure adequate access to environmental information.</td>
</tr>
<tr>
<td>3.4 Communications materials and products supporting implementation of reforms produced</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to ensure they promote climate resiliency, health and environmental protection approach and ensure adequate access to environmental information.</td>
</tr>
<tr>
<td>3.5 Increase private sector knowledge of trade requirements and international market</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to ensure they promote climate resiliency, health and environmental protection approach and ensure adequate access to environmental information.</td>
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<tr>
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<td>Climate Risk Rating</td>
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<td>3.6 Strengthen indigenous SME business associations</td>
<td>None anticipated</td>
<td>None anticipated</td>
<td>Low</td>
<td>Educate stakeholders to ensure they</td>
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<td>promote climate resiliency, health</td>
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**Component 4: Cross-Cutting Trade Corridor Enhancements Fund**

<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>4.1 Modernize or increase capacity and operational efficiency of one/two border control points, by installing automation equipment;</td>
<td>Minimal adverse impact is possible.</td>
<td>Minimal adverse impact is possible.</td>
<td>Low</td>
<td>Educate stakeholders to ensure they incorporate climate resiliency into planning of service improvements. Actually border crossing will be speedier and trucks will pollute less the environment while at the border crossings.</td>
</tr>
<tr>
<td>4.2 Match some private sector investments in corridor development;</td>
<td>Minimal adverse impact is possible.</td>
<td>Minimal adverse impact is possible.</td>
<td>Low</td>
<td>Assist GOM in attracting private investments and promoting environmentally friendly technologies.</td>
</tr>
<tr>
<td>4.3 Procure systems within the transportation sector to facilitate</td>
<td>Minimal adverse impact is possible.</td>
<td>Minimal adverse impact is possible.</td>
<td>Low</td>
<td>Assist GOM in selecting advanced equipment,</td>
</tr>
<tr>
<td>Defined/Illustrative Activities</td>
<td>Potential Impacts</td>
<td>Potential Climate Risk</td>
<td>Climate Risk Rating</td>
<td>Opportunities for Climate Resiliency</td>
</tr>
<tr>
<td>-------------------------------</td>
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<td>-------------------------------------</td>
</tr>
<tr>
<td>the efficient movement of freight, etc;</td>
<td>impact is possible.</td>
<td></td>
<td></td>
<td>attracting private investments and promoting environmentally friendly technologies.</td>
</tr>
</tbody>
</table>

4. **Recommended Environmental Actions**

4.1. **Recommended Mitigation Measures**

**Component 1 – Improve Compliance and Implementation of International Trade Agreements**

<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>1.2 Provide implementation assistance on IPR, TBT, SPS, Trade in Goods, Competition, Transparency, Investment, Consumer Protection, and Customs;</td>
<td>Minimal adverse impact on environment and human health is possible. If improperly done or not complemented with adequate improvements the regulatory reform of system may have an adverse impact on environment and people health.</td>
<td>The IP will assist the GOM to apply the best practices in the sector and comply with the requirements of the EU- Moldova Association Agreement. If new procedures introduced by the amended legislation may have an impact on human health or the environment, the Implementer will recommend the GOM to address potential human health and environmental impacts appropriately.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>2.1 Provide training and implementation assistance on improving the business environment;</td>
<td>Minimal adverse impact on environment and human health is possible. A regulatory reform effort might require revision of multiple regulations/laws, some revisions may have a negative effect on the environment or human health.</td>
<td>The IP will assist the GOM to apply the best practices in the sector and comply with the requirements of the EU-Moldova Association Agreement. If application of the modified regulations, or elimination of regulations, may have a negative effect on the environment or human health, the IP will encourage the GOM to review environmental impacts of these regulations, reflect relevant environmental and/or health considerations into the modified regulations (or to review the decision on elimination of particular regulations), and support integration of sustainable practices including better waste management and rational use of water, energy and other resources.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td>2.4 Provision of equipment, IT solutions, and services</td>
<td>Minimal adverse impacts on environment and/or human health may be caused by the newly procured equipment. This includes but is not limited to improper installation of equipment, maintenance, operations, noise and vibration; gas emissions from used transport, etc.</td>
<td>The IP shall provide capacity development to stakeholders for adequate selection, operation and maintenance of the equipment, and take labor safety measures during equipment installation, testing and use. The IP will complete the Environmental Review Checklist (ERC) and the Environmental Monitoring and Mitigation Plan (EMMP) for batches of equipment, making a preliminary determination regarding any negative environmental impact, and submit it to the USAID COR/AOR and MEO for their review and clearance. Approval of the E&amp;E BEO of the completed ERC/EMMP will be required.</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>2.5 Support for restructuring and privatization of state owned enterprises</td>
<td>Minimal adverse impact is possible.</td>
<td>The IP will assist the new restructured enterprises to incorporate relevant environmental and/or health considerations into the modified management practices, and support integration of sustainable practices including better waste management and rational use of water, energy and other resources.</td>
<td>Negative Determination with Conditions</td>
</tr>
</tbody>
</table>
2.6 Supporting Moldova’s efforts in implementing a public procurement systems reform.

<table>
<thead>
<tr>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
<th>Recommended Threshold Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal adverse impact is possible.</td>
<td>The IP will assist the GOM to apply the best practices in the sector and comply with the requirements of the EU-Moldova Association Agreement. If new procurement system procedures may have an impact on human health or the environment, the Implementer will recommend the GOM to incorporate environmental and health considerations in the RIA process.</td>
<td>Negative Determination with Conditions</td>
</tr>
</tbody>
</table>

2.7 Support for development of an inclusive transportation country strategy

<table>
<thead>
<tr>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
<th>Recommended Threshold Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal adverse impact is possible.</td>
<td>The IP will assist the GOM to apply the best practices in the sector and comply with the requirements of the EU-Moldova Association Agreement. The transportation strategy, if developed, shall consider the environmental aspects, as well as the impact on human health or the environment</td>
<td>Negative Determination with Conditions</td>
</tr>
</tbody>
</table>

2.8 Support for reforms in construction regulatory framework

<table>
<thead>
<tr>
<th>Potential Impacts</th>
<th>Mitigation Measures</th>
<th>Recommended Threshold Determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal adverse impact is possible.</td>
<td>The IP will assist the GOM to apply the best practices in the sector and comply with the requirements of the EU-Moldova Association Agreement. Ensure that new construction legislation implements procedures with respect to protection of human health and the environment</td>
<td>Negative Determination with Conditions</td>
</tr>
</tbody>
</table>

Component 4 - Cross-Cutting Trade Corridor Enhancements Fund

<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>4.1 Modernize or increase capacity and operational efficiency of one/two border control points, by installing automation equipment;</td>
<td>Minimal direct adverse impact on the environment. Some adverse impacts on environment and/or human health may be caused by poor analysis of possible impact resulting from renovation wastes, improper installation, use or maintenance customs equipment etc.</td>
<td>The IP will assist the GOM to apply the best practices in the sector and comply with the requirements of the EU-Moldova Association Agreement. The IP shall ensure hiring qualified experts for assisting the GOM and border Management agencies in developing a sustainable strategy that must comply with the EU directives</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>4.2 Match some private sector investments in corridor development;</td>
<td>If supporting additional investments along the trade corridors, along the main transportation routes these could have a negative impact on the environment</td>
<td>The IP will assist the GOM to apply the best practices in the sector and comply with the requirements of the EU-Moldova Association Agreement. If new projects will be developed along major trade routes in Moldova, some services developed for truckers, that the IP shall ensure protection of human health and the environment</td>
<td>Negative Determination with Conditions</td>
</tr>
<tr>
<td>4.3 Procure systems within the transportation sector to facilitate the efficient movement of freight, etc;</td>
<td>Equipment such as scanners, monitors, etc could be procured for the border crossing points, but also for the waiting parking lots.</td>
<td>The IP shall provide capacity development to stakeholders for adequate operations and maintenance of the equipment, and take labor safety measures during equipment installation, testing and use.</td>
<td>Negative Determination with Conditions</td>
</tr>
</tbody>
</table>


4.2. Recommended Environmental Determination:

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

- Activity 1.1, 2.3, 3.1, 3.2, 3.3, 3.4, 3.5 and 3.6, 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.);
- Activity 1.3, 2.2, 3.1, 3.2 and 3.3, under §216.2(c)(2)(ii) Analyses, studies, academic or research workshops and meetings;
- Activity 3.4, 3.5 and 3.6, under §216.2(c)(2)(v) Document and information transfers;

**Negative Determination with Conditions:**
Under §216.3(a)(2)(iii), a negative determination with conditions is recommended for activities 1.2, 2.1, 2.4 - 2.8 and 4.1 - 4.3. Specific terms and conditions are presented below in Section 4.3.

4.3. Terms and Conditions:

4.3.1 For activities 1.2, 2.1, 2.6, 2.7, 2.8, 4.1 and 4.2 the IP shall provide capacity development to the GOM and assist the targeted institutions to apply the best practices in their sectors and to update sector regulations in compliance with the requirements of the EU- Moldova Association Agreement.

4.3.2 For activity 1.2 if new procedures introduced by the amended legislation may have an impact on human health or the environment, the Implementer will recommend the GOM to address potential human health and environmental impacts appropriately.

4.3.3 For activity 2.1 if application of the modified regulations, or elimination of regulations, may have a negative effect on the environment or human health, the IP will encourage the GOM to review environmental impacts of these regulations, reflect relevant environmental and/or health considerations into the modified regulations (or to review the decision on elimination of particular regulations), and support integration of sustainable practices including better waste management and rational use of water, energy, and other resources.

4.3.4 For activity 2.4 the IP shall provide capacity development to stakeholders for adequate selection, operation and maintenance of the equipment, and take labor safety measures during equipment installation, testing and use.

4.3.5 For activity 2.5 the IP will assist the new restructured enterprises to incorporate relevant environmental and/or health considerations into the modified management practices, and support integration of sustainable practices including better waste management and rational use of water, energy, and other resources.

4.3.6 For activity 2.6 if new procurement system procedures may have an impact on human health or the environment, the Implementer will recommend the GOM to incorporate environmental and health considerations in the RIA process.

4.3.7 For activity 2.7 if the transportation strategy will be developed, the IP will consult the GOM to consider the environmental aspects, as well as the potential impact on human health and the environment.

4.3.8 For activity 2.8 the IP will assist the GOM to ensure that new construction legislation implements procedures with respect to protection of human health and the environment.

4.3.9 For activity 4.1 the IP will ensure hiring qualified experts for assisting the GOM and border Management agencies in developing a sustainable strategy that must comply with the EU directives.
4.3.10 For activity 4.2 if new projects will be developed along major trade routes in Moldova, some services developed for truckers, that the IP shall ensure protection of human health and the environment.

4.3.11 For activity 4.3 the IP shall provide capacity development to stakeholders for adequate operations and maintenance of the equipment, and take labor safety measures during equipment installation, testing and use.

4.3.12 Prior to procurements of new equipment (activities 2.4, 4.1, 4.2 and 4.3) the IP will complete the Environmental Review Checklist (ERC) and the Environmental Monitoring and Mitigation Plan (EMMP) for batches of equipment, making a preliminary determination regarding any negative environmental impact, and submit it to the USAID COR/AOR and MEO for their review and clearance. Approval of the E&E BEO of the completed ERC/EMMP will be required.

4.3.13 Prior to initiating activities 2.4, 4.1, 4.2 and 4.3 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 1 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. The ERC/EMMP must be completed and approved prior to activities beginning. The IP is certifying that 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. 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. The Record of Compliance certifies that all the mitigation measures that the IP confirmed would occur during project implementation did indeed occur. This annex is completed at the end of the project.

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

4.3.15 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. IP(s) will provide USAID with evidence that the assisted organizations followed all applicable environmental laws as well as conditions set in this IEE or related environmental compliance documentation (if applicable).

4.5.2. For all activities involving provision of electronic equipment, efforts will be made to inform and promote end user compliance with Article 50 of the Law on Waste, governing electronic waste.
4.5.3. 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.

4.5.4. 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 Work Plans**

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

6.8 Assist the procurement (including payment in kind, donations, guarantees of credit) or use (including handling, transport, fuel for transport, storage, mixing, loading, application, cleanup of spray equipment, and disposal) of pesticides or activities involving procurement, transport, use, storage, or disposal of toxic materials and /or pesticides (cover all insecticides, fungicides, rodenticides, etc. covered under the Federal Insecticide, Fungicide, and Rodenticide Act); and

6.9 Procure or use genetically modified organisms.

7. **Revisions**

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

Approval: ___________________________  9/18/2019
Scott Hocklander, Mission Director

Clearance: ___________________________  09/17/2019
Constantin Mihai, Mission Environmental Officer

Clearance: ___________________________  09/17/2019
Corneliu Rusnac, COR for the Moldova Structural Reforms Program

Concurrence: _________________________  9/20/19
Mark Kamiya
E&E Bureau Environmental Officer

Distribution:
IEE File
MEO (to also provide a copy to AOR/COR)
Annex A: Climate Risk Management Summary Table. The preliminary CRM screening identified that the climate impact and the climate sensitivity of the planned activities are very low and there is not necessary to do any further action or more detailed CRM screening.

<table>
<thead>
<tr>
<th>1.1: Defined or Anticipated Tasks or Interventions*</th>
<th>1.2: Time-frame</th>
<th>1.3: Geography</th>
<th>2: Climate Risks*</th>
<th>3: Adaptive Capacity</th>
<th>4: Climate Risk Rating*</th>
<th>5: Opportunities*</th>
<th>6.1: Climate Risk Management Option</th>
<th>6.2: How Climate Risks Are Addressed in the Activity*</th>
<th>7: Next Steps for Activity Implementation</th>
<th>8: Accepted Climate Risks*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moldova Structural Reform Project (MSRP)</td>
<td>Durinng the project’s implementation: September 2017 - September 2022.</td>
<td>Moldova’s territory, with higher impact on the South and Central part of the country that is more affected by water scarcity, reduced humidity, decreasing amount of precipitation, high temperatures waves and droughts.</td>
<td>Increased ambient temperatures and high temperature waves may affect human health and amplify the water scarcity problems in some regions of Moldova. Increasing frequency of weather anomalies and lack of water could impact some sectors of Moldova’s economy, like transport, agriculture’s productivity and reduce the incomes of vulnerable families.</td>
<td>There is limited government support for improving municipal services in rural areas and address the issues related to water scarcity and desertification process. Moldova relies heavily on donor support in solving these issues.</td>
<td>The IP will apply best practices in the sector for providing professional support to the GOM and targeted institutions in updating sector regulations according to the EU-Moldova association Agreement. The target groups will be educated in considering climate resiliency, weather hazard’s risks, health safety and environmental protection issues.</td>
<td>The IP will consult and assist GOM in considering climate change issues in updating regulations and developing sector strategies. The IP will ensure procurement of performant, energy saving equipment to reduce fossil energy consumption and environmental pollution.</td>
<td>The IP will provide capacity development to GOM and targeted institutions to understand and comply with new requirements for deeper consideration of climate change and environmental issues.</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ENVIRONMENTAL REVIEW CHECKLIST (ERC) for Identifying Potential Environmental Impacts of Project Activities and Processes/
ENVIRONMENTAL MITIGATION AND MONITORING PLAN (EMMP)
ERC/EMMP

for [Activity Name]

Implemented under: [Project Name]

DCN: [of Parent IEE]

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

The Environmental Review Checklist for Identifying Potential Environmental Impacts of Project Activities and Processes (ERC) and Environmental Mitigation and Monitoring Plan (EMMP) is intended for use by implementing partners to: assess activity-specific baseline conditions, including applicable environmental requirements; identify potential adverse environmental effects associated with planned activity(s) and processes; and develop EMMPs that can effectively avoid or adequately minimize the identified effects. This ERC/EMMP may be substituted for other ERC/EMMP versions that may have been attached to previous initial environmental examinations (IEE). If implementing partners are in doubt about whether a planned activity requires preparation of an ERC, they should contact their Contracting Officer’s Representative (COR)/Agreement Officer’s Representative (AOR) for clarification. In turn, the COR/AOR should contact their Mission Environmental Officer (MEO) if they have any questions. In special circumstances and with approval of the BEO it is possible to have one very comprehensive ERC/EMMP for multiple projects if they are similar in scope. (When preparing the ERC/EMMP, please indicate “not applicable” for items that have no bearing on the activity. The ERC/EMMP 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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<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>
</tr>
<tr>
<td>Historical or Cultural Preservation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wetlands or Water bodies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Threatened or Endangered Species</td>
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<tr>
<td><strong>Other</strong></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, florescent tubes, aerosol cans, paint, solvents, etc.? If so, how will this waste be disposed of?

h. Will the activity generate nontoxic, nonhazardous solid wastes (subsequently requiring land resources for disposal)?

i. Will the activity pose the need to handle and dispose of medical wastes? If so, describe measures of ensuring occupational and public health and safety, both onsite and offsite.

j. Does the activity provide a new source of drinking water for a community? If so, how will the project monitor water quality in accordance with health standards?

k. Will the activity potentially disturb soil contaminated with toxic or hazardous materials?

l. Will activities, e.g., construction, refurbishment, demolition, or blasting, result in increased noise or light pollution, which could adversely affect the natural or human environment?

2. Atmospheric and air quality impacts

a. Will the activity result in increased emission of air pollutants from a vent or as fugitive releases, e.g., soot, sulfur dioxide, oxides of nitrogen, volatile organic compounds, methane.

b. Will the activity involve burning of wood or biomass?

c. Will the activity install, operate, maintain, or decommission systems containing ozone depleting substances, e.g., freon or other refrigerants?

d. Will the activity generate an increase in carbon emissions?

e. Will the activity increase odor and/or noise?

3. Water quality changes and impacts

a. How far is the site located from the nearest river, stream, or lake? (Non-yes/no question)

b. Will the activity disturb wetland, lacustrine, or riparian areas?

c. What is the depth to groundwater at the site? (Non-yes/no question)

d. Will the activity result in increased ground or surface water extraction? If so, what are the volumes? Permit requirements? (Non-yes/no question)

e. Will the activity discharge domestic or industrial sewage to surface, ground water, or publicly-owned treatment facility?

f. Does the activity result in increased volumes of storm water run-off and/or is there potential for discharges of potentially contaminated (including suspended solids) storm water?
g. Will the activity result in the runoff of pesticides, fertilizers, or toxic chemicals into surface water or groundwater?

h. Will the activity result in discharge of livestock wastes such as manure or blood into surface water?

i. Does the site require excavation, placing of fill, or substrate removal (e.g., gravel) from a river, stream or lake?

4. **Land use changes and impacts**
   a. Will the activity convert fallow land to agricultural land?
   b. Will the activity convert forest land to agricultural land?
   c. Will the activity convert agricultural land to commercial, industrial, or residential uses?
   d. Will the activity require onsite storage of liquid fuels or hazardous materials in bulk quantities?
   e. Will the activity result in natural resource extraction, e.g., granite, limestone, coal, lignite, oil, or gas?
   f. Will the activity alter the viewshed of area residents or others?

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

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

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

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

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

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

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

*Note regarding applicability related to Pesticides (216.2(e): The exemptions of §216.2(b)(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 below list the processes that comprise the activity, then for each, identify impacts requiring further consideration, and for each impact describe the mitigation and monitoring measures that will be implemented to avoid or adequately minimize the impacts. All environment, health, and safety impacts requiring further consideration, which were identified in Section F., should be addressed)

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

<table>
<thead>
<tr>
<th>Processes</th>
<th>Identified Environmental Impacts</th>
<th>Do the Impacts Require Further Consideration?</th>
<th>Mitigation Measures</th>
<th>Monitoring Indicators</th>
</tr>
</thead>
<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</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</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>
<td>Identified Environmental Impacts</td>
<td>Do the Impacts Require Further Consideration?</td>
<td>Mitigation Measures</td>
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</tr>
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<tr>
<td>be included for each process.</td>
<td>(4) Does not pose a risk because of low severity, frequency, or duration</td>
<td></td>
<td></td>
<td></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.)(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 Name

Date

Concurrence:

Mark Kamiya, Bureau Environmental Officer

Date

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

Subject: Site or Activity Name/Primary Project
IEE DCN: 
To: COR/AOR/Activity Manager Name
Copy: Mission Environmental Officer Name
Date: 

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