AMENDMENT # 3 OF THE INITIAL ENVIRONMENTAL EXAMINATION
&
REQUEST FOR CATEGORICAL EXCLUSION

For the following USAID Uganda Feed the Future Activities:

Country/Region: Uganda / East Africa
Program/Activity Number: 617, Development Objective One (DO1)
Functional Objective 4: Economic Growth

Program Name: Uganda Feed the Future
Program Area 4.5: Agriculture

Funding Period: FY2015 - FY2022
LOP Amount: $32 million (increase from $270 M to $302 M)
  o This amendment extends the IEE expiration by two years, from Sept. 30, 2020 to Sept. 30, 2022.

Sub-Activities / Amounts:
1. Developing and Delivering Bio-fortified crops – Harvest Plus: $22 million
2. Feed the Future Financing Agriculture and Rural Markets (FtF FARM) Activity: $10 million

IEE Amendment Prepared By: Jessica Okui, MEO USAID/Uganda and USAID Uganda
Economic Growth - Feed the Future Team

Current Date: July 20, 2016

IEE Expiration Date: September 30, 2022

IEE Amendment (Y/N):  Y  If "yes", Filename & date of original IEE:
Uganda_DO1_FtF_IEE_0813214, dated August 13, 2014

Additional References:
Uganda_DO1_PERSUAP: Afr_DCHA_Uganda_Econ Growth PERSUAP

ENVIRONMENTAL ACTION (S) RECOMMENDED: (Place X where applicable)
Categorical Exclusion:  X  Negative Determination:  X
Positive Determination:  _____  Deferral:  ___

ADDITIONAL ELEMENTS:
CONDITIONS: X  PVO/NGO: X  EMMP: X
SUMMARY OF FINDINGS
The purpose of this amendment #3 to the Initial Environmental Examination (IEE) File No. Uganda_DO1_FtF_IEE_0813214 for USAID/Uganda’s Economic Growth, Agriculture Sector – Feed the Future, is to provide threshold determination for the following activities in accordance with the requirements of Title 22 of the Code of Federal Regulations (CFR) Part 216. This Amendment covers the following categories of activities:

- **Activity with extension of Life of Project, increase in funding, and change in scope:** Developing and Delivering Bio-fortified crops – Harvest Plus.
  - Harvest Plus is Extended through 2021; $22 million added.
  - Scope expanded to include supporting additional production of bio-fortified crops that will include Vitamin A enriched maize, iron enriched pearl millet, vitamin A enriched cassava, and iron enriched sorghum.

- **New activity not covered in the original Uganda DO1_FtF_IEE:** FtF FARM Activity.
  - FtF Financing Agriculture and Rural Markets (FARM); $10 million
  - Scope: provide technical assistance services to potential borrowers of USAID/Uganda’s DCA portfolio; strengthen the governance and business capacity of selected enterprises engaged in scaling up the use of technology to expand the outreach of financial services to remote areas; and strengthen the capacity of financial system regulators execute agriculture finance policy, legal and regulatory reforms.

With the following edits/additions, the new activities are adequately covered by the conditions in the amended IEE:

- added conditions for DCAs and the appendix on USAID Standard Environmental Loan Provisions consistent with the standard DCA language we have been using in recent IEEs
- Recapitulated provisions for pesticide and fertilizer programming compliance and mitigation
- Rearranged some paragraphs in section 4.0 for clarity

This amendment will assist in ensuring environmental compliance, and also permit the implementation of these activities in accordance with USAID Environmental Policy and Procedures (22 CFR 216).

RECOMMENDED THRESHOLD DETERMINATIONS:

This IEE recommends the following Environmental Threshold Determinations:
<table>
<thead>
<tr>
<th>Activities</th>
<th>Categorical Exclusion</th>
<th>Negative Determination with Conditions</th>
<th>Positive Determination</th>
<th>Deferral</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing and Delivering Bio-fortified crops – Harvest Plus</td>
<td>22 CFR 216.2 (c)(2)(i), (ii), (iii) and (v) √</td>
<td>22 CFR 216.3(a)(2)(iii) √</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Feed the Future Financing Agriculture and Rural Markets – (FtF FARM) Activity</td>
<td>22 CFR 216.2 (c)(2)(i), (iii) and (v) √</td>
<td>√</td>
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</tbody>
</table>

The Environment Monitoring and Mitigation Plan (EMMP), which identifies the IEE conditions and mitigation measures for each award, will be developed using the EMMP template attached on this IEE. The EMMP will be part of the program work plan.

**Environmental Responsibilities:**
- As required by ADS 204.3.4, the Economic Growth, Agriculture Sector - Feed the Future (FtF) Team and activity implementing partners will actively monitor and evaluate whether the environmental features designed for each activity resulting from the 22 CFR 216 process are being implemented effectively and whether new or unforeseen consequences arise during implementation that were not identified and reviewed in accordance with 22 CFR 216. If additional activities not described in this document are added to this program, an amended environmental examination must be prepared and approved.
- The Agriculture Sector – Feed the Future Team is responsible for assuring that the implementing partners have the human capacity necessary to incorporate environmental considerations into program planning and implementation, and to take on their roles in the Environmental Screening Process.
- Implementing partners should seek training as needed in ensuring environment compliance.
- All USAID-funded partners shall regularly report on the progress and status of implementing their environmental conditions and mitigation measures, as determined by this RCE.
- Periodic visits by the Agriculture Sector – Feed the Future Team, C/AOR, MEO, and/or Regional Environmental Advisor (REA), as appropriate, are encouraged to ensure environmentally sound implementation, mitigation, and monitoring of activities.

**Operationalizing Provisions of the IEE:**
The Agriculture Sector-Feed the Future Team will make clear through RFAs/RFPs, APSs, contracts, cooperative agreements or grants, post-award briefings, work plans etc., as
appropriate, that the determinations specified in this IEE have to be heeded, and that project implementing partners must put in place appropriate systems to ensure that the recommended mitigation and monitoring actions are implemented.

**Monitoring, Evaluation and Reporting:**
As required by ADS 204.3.4, the Agriculture Sector- Feed the Future Team will use the EMMP to ensure programmatic compliance with 22 CFR 216 and ADS 204.5.4 by documenting that the conditions specified in this IEE have been met for all activities carried out under each award. The EMMPs will be reviewed by the C/AOR and MEO.
APPROVAL OF ENVIRONMENTAL ACTION RECOMMENDED

Economic Growth, Agriculture Sector - Feed the Future IEE Amendment #3

CLEARANCE:

Acting Deputy Mission Director,
USAID/Uganda:

[Signature]
Date: 7/21/16
Charles Egu

Acting Mission Director,
USAID/Uganda:

[Signature]
Date: 7/21/16
Jo Lesser-Oltheten

CONCURRENCE:

Bureau Environmental Officer,
AFR/SD:

[Signature]
Date: 7/7/2016
for Brian Hirsch

File Name: Uganda DO1 FtF IEE Amendment #3

ADDITIONAL CLEARANCE:

Mission Environment Officer,
USAID/Uganda:

[Signature]
Date: 7/20/2016
Jessica Okui - All MEO

Economic Growth Director,
USAID/Uganda:

[Signature]
Date: 7/21/2016
Sheila Desai

Regional Environment Advisor,
East Africa Region:

[Signature]
Date: 7/20/2016
David Kinyua
INITIAL ENVIRONMENTAL EXAMINATION – AMENDMENT # 3

Country/Region: Uganda / East Africa
Program/Activity Number: 617, Development Objective One (DO1)
Functional Objective 4: Economic Growth

Program Name: Uganda Feed the Future
Program Area 4.5: Agriculture

1.0 SECTION 1: BACKGROUND AND SCOPE OF IEE:

1.1 Purpose and Scope of the IEE:
The purpose of this amendment # 3 to the Initial Environmental Examination (IEE) File No
Uganda_DO1_FtF_IEE_0813214 for USAID/Uganda’s Economic Growth, Agriculture
Sector- Feed the Future is to provide threshold determinations for changes in the FtF portfolio
in accordance with the requirements of Title 22 of the Code of Federal Regulations (CFR) Part
216. The change include extension of Life Of Project increase in funding levels and scope of
Harvest Plus, and a new FtF FARM, activity designed after the approval of the original IEE,

This document will assist in ensuring environmental compliance, and also permit the
implementation of the proposed activities in accordance with USAID Environmental Policy and
Procedures (22 CFR 216).

1.2 Background:
Background information remains as stated in the original IEE and is cross referenced in this
amendment.

1.3 Description of Activities and Areas Affected:

1.3.1. Extension of Life of Project (LOP), Increase Funding and/ Scope- Harvest Plus:
USAID/Uganda will increase the funding of Harvest Plus activity by USD 22 Million,
and extend its completion date to FY 2021. In addition, the scope of Harvest Plus shall
expand to include supporting additional production of bio-fortified crops that will
include Vitamin A enriched maize, iron enriched pearl millet, vitamin A enriched
 cassava, and iron enriched sorghum.

1.3.2. New Activity- FtF FARM:
The Financing Agriculture and Rural Markets (FARM) activity will provide technical assistance
services to potential borrowers of USAID/Uganda’s Development Credit Authority (DCA)
portfolio; strengthen the governance and business capacity of selected enterprises engaged in
scaling up the use of technology to expand the outreach of financial services to remote areas; and
strengthen the capacity of financial system regulators execute agriculture finance policy, legal and
regulatory reforms.
The activity will build the capacity of participating DCA commercial banks to create new products tailored to farmers, agribusinesses particularly Feed the Future coffee, maize and beans value chains’ enterprises engaged in production, acquiring agriculture inputs, equipment leasing, small-scale irrigation, packaging, processing, storage, transportation, collection and the export of agriculture products from Uganda.

The activity will strengthen the governance and business capacity of enterprises engaged in the delivery of digital services such as mobile money, to establish robust institutions that are able to innovate, mobilize resources, and deliver services that meet the evolving needs of users, with emphasis on the agriculture sector.

The activity will work with financial system regulators, formal and informal financial services users, particularly underserved low income, small business and institutional clients to improve finance and capital markets expansion of services.

The activity will be composed of the following components:

- **Component 1: Development Credit Authority Portfolio**
  Providing technical services to potential DCA borrowers, and strengthen the capacity of participating commercial banks to create new credit products tailored to farmers and agribusiness.

- **Component 2: Scaling up the use of technology**
  Strengthening the governance and business capacity of selected enterprises to scale up the delivery of digital services in expanding the outreach of financial services to remote areas, and increasing the use of digital finance

- **Component 3: Legal and regulatory Reforms**

**SECTION 2.0: COUNTRY AND ENVIRONMENTAL INFORMATION (BASELINE INFORMATION)**

**2.1 Locations Affected:**
Both Harvest Plus, and FtF FARM activities shall be implemented in some of the 38 FtF districts in Uganda, and a variety of environmental situations might be encountered.

**2.2 Environmental Baseline Information:**
All details concerning this section remain as summarized in the original IEE, (File Name: Uganda_DO1_FtF_IEE_0813214), and is cross referenced in this amendment.

**2.3 National Environmental Policies and Procedures**
All details concerning this section remain as described in the original IEE, (File Name: Uganda_DO1_FtF_IEE_0813214), and is cross referenced in this amendment.
3.0 EVALUATION OF ACTIVITY/PROGRAM ISSUES WITH RESPECT TO ENVIRONMENTAL IMPACT POTENTIAL

3.1 Developing Bio-fortified Crop- Harvest Plus
Many of the proposed activities do not have direct adverse environmental impacts, as they entail providing technical assistance, capacity building, research, analysis, workshops, meetings, trainings, information transfer, nutrition improvement, etc. However, in the course of implementing these activities, partners should take advantage of opportunities to address any potential adverse environmental impacts as they may emerge.

Some of the proposed activities will certainly have potential impacts on the proposed activity areas. Development of bio-fortified crops may require agro-inputs including new and/or treated planting material, pesticides, and inorganic fertilizers. These could lead to increased flow of chemical fertilizers and pesticides into waterways, resulting in adverse environmental impacts (pollution of surface and ground water sources).

Some of the proposed activities will certainly have potential impacts on the proposed project areas. These activities include:

- Purchase and use of agricultural inputs including pesticide and fertilizers, purchase of agricultural equipment for post- harvest handling and processing.
- Climate adaptation technologies.
- Some of these activities may well lead to intensification and extensification of agriculture, increased flow of chemical fertilizers and pesticides into water ways and increased expansion of agriculture to sensitive ecosystems etc., is likely to lead to adverse environmental impacts. Details of the potential impacts resorting from many of these sectors are covered under USAID Environmental Sectoral Guidelines under specific sector analyses found under http://www.usaidgems.org/sectorGuidelines.htm

3.2 FtF FARM Activity
Many of the proposed activities do not have direct adverse environmental impacts, as they entail providing technical assistance, capacity building, workshops, meetings, trainings, information transfer, legal and regulatory reforms, promoting digital finance technology, improving financial services, etc. However, in the course of implementing these activities, partners should take advantage of opportunities to address any potential adverse environmental impacts they may emerge.
4.0 THRESHOLD DETERMINATIONS AND MITIGATION MEASURES FOR THE NEW ACTIVITIES:

4.1 Table 1: Recommended Threshold determinations and Conditions attached to each activity group.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Recommended Threshold Determination and Conditions</th>
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</table>
| **4.1 Categorical Exclusion**<br>Activities with no adverse effects on the environment:<br>4.1.1 Harvest Plus Activity:<br>▪ Creating awareness and nutrition importance of the new bio-fortified crops: Vitamin A enriched maize, iron enriched pearl millet, Vitamin A enriched cassava, and iron enriched sorghum<br>▪ Improving market linkages and business support services on consumption of bio-fortified crops, and farmer incomes<br>▪ Establishment of controlled experimentation and demonstration plots | Categorical Exclusion, per 22 CFR 216.2(c)(2)(i): education, technical assistance or training; (ii): Controlled experimentation exclusively for the purpose of research and field evaluations, which are confined to small areas and carefully monitored; (iii): analyses, studies, academic or research workshops and meetings; and (v): document and information transfers.  
   No further environmental review required. |
| 4.1.2 FtF FARM Activity:<br>All FtF FARM activities which include:<br>▪ Scaling up sue of digital technology and Information transfer<br>▪ Legal and regulatory reforms<br>▪ Improving financial services, etc. |
### 3.1 Negative Determination with Conditions

A Negative Determination with Conditions recommended pursuant to 22 CFR 216.3(a)(2)(iii) for these activities:

**Conditions:**

- Where appropriate, environmental due diligence procedures (as defined below) are either (1) implemented (where USAID has direct control over provision of credit and financial services); or (2) promoted and advanced to the greatest degree practicable (where USAID does not have direct control).
- The Guaranteed Party and the Borrower shall provide for review by the USAID Mission Environmental Officer (MEO) and the Regional Environmental Advisor (REA) a copy of its environmental policies and procedures as a condition precedent to the Guarantee Agreement and the Commitment Agreement, respectively.
- The Guaranteed Party shall seek prior USAID approval and submit evidence of environmental compliance before placing loans under Guarantee coverage. The USAID/Uganda FtF team will periodically review the Guaranteed Party’s and the Borrower’s implementation of this requirement, including during project monitoring visits.
- Environmental compliance will comprise one of the performance measures of the project’s mid and/or end-term technical evaluation to be carried out by the USAID/Uganda FtF team.
- The Borrower and the Guaranteed Party shall receive training and technical assistance in the use of environment guidelines. The guidelines shall illustrate how environmentally sound practices can be used to improve the effectiveness and efficiency of enterprise. Training of the lending institution will include the concept of environmental due diligence, awareness of the environmental hazards presented by typical types of enterprises, and basic environmental management appropriate to typical Small and Medium Size Enterprise activities. Where technical assistance to

| FARM Activity: | Development Credit Authority Portfolio activities |
---|---|
| FtF | FtF |
the lending institution includes loan-making procedures, basic environmental review will be built into loan-making processes. This training and technical assistance will support compliance with Ugandan law and implementation of good practice as set out in this IEE.


- The Guaranteed Party and the Borrower shall develop and provide for review and approval by the USAID/Uganda MEO and the REA as required, a Compliance Plan documenting how their project will implement and verify all IEE conditions that apply to their activities. The Compliance Plan shall identify how the Guaranteed Party and the Borrower shall assure that IEE conditions that apply to activities supported under the loans are implemented.

- The Guaranteed Party and the Borrower shall integrate their Compliance Plan into their project work plan and budgets, implement the Compliance Plan, and report on its implementation as an element of regular project performance reporting. The Guaranteed Party shall assure, through training as described above, as well as the Compliance Plan that the Borrower integrate implementation of IEE conditions, where applicable, into its project work plans and budgets and report on their implementation as an element of loan performance reporting.

<table>
<thead>
<tr>
<th>4.2.2</th>
<th>Harvest Plus</th>
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<tbody>
<tr>
<td>- Activities that promote /and used pesticides and/or treated planting material</td>
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</table>

**A Negative Determination with Conditions** recommended pursuant to 22 CFR 216.3(a)(2)(iii) for these activities:

**Conditions:**
| Requirements of the USAID/Uganda Agriculture Sector PERSUAP will be adhered to. |
| A SUAP shall be developed. |
| Only those fertilizer products that are approved by the appropriate local authority may be used. |
| Suppliers shall: 1) ensure appropriateness for the agroclimatic zone to which they are being introduced; 2) avoid introducing exotic invasive species; and 3) avoid providing or promoting genetically modified organisms (GMOs). |

- Activities that promote the use of inorganic fertilizers
- Multiplication and dissemination of new/improved planting material
4.2 Mitigation Measures

i) Use of fertilizers to promote increase agricultural production:

A Negative Determination with Conditions is recommended pursuant to 22 CFR 216.3(a)(2)(iii) for activities involving the use of fertilizers in agricultural production.

Only those fertilizer products that are approved by the appropriate local authority may be used. (USEPA does not register or otherwise approve fertilizers as it does pesticides.) Further, because of the environmental risks inherent in improper handling, storage, use and application, implementing partners must assure that potential users are trained in proper handling, storage, use and application techniques. Fertilizers are frequently lumped together with pesticides under the generic heading of “agro- or agrichemicals.” From an environmental compliance perspective (22 CFR 216), as well as from a field-level implementation point of view, this is inappropriate, because it implies that fertilizers require the same level of scrutiny reserved for pesticides. Whereas pesticides are subject to clearly defined environmental review procedures, and an approval process to promote safer use and integrated pest management, such procedures do not apply to fertilizers (procurement procedures do apply to quantity bulk purchase). As with any technology, however, it is recommended that fertilizers be thoughtfully employed according to best practice, promoting integrated soil fertility management, within the context of the prevailing biophysical and socio-economic conditions, as well as the desired outcomes. The provision/distribution, promotion of, and training in use of fertilizers must conform to the best practices outlined in the Africa Bureau Fertilizer Fact sheet: http://www.encafrica.org/egssaa/AFR_Fertilizer__Factsheet_Jun04.pdf.

ii) Pesticides:

A Negative Determination with Conditions, pursuant to 22 CFR 216.3(a)(2)(iii), is recommended for activities involving any use of pesticides under this program:

This includes activities promoting the use of pesticides and /or treated planting material. Any use of pesticides will require an approved Pesticide Evaluation Report and Safer Use Action Plan (PERSUAP). USAID/Uganda has an approved agricultural PERSUAP: Afr_DCHA_Uganda_Econ Growth PERSUAP that applies to procurement and use of pesticides under the FtF program. The PERSUAP requires that Implementing Partners involved in the procurement and or use of pesticides must develop a Safer Use Action Plan (SUA). This document specifically recommends: training in proper use, transport and storage of pesticides and other agricultural chemicals, use of only approved by the PERSUAP, and use of Integrated Pest Management practices where feasible. NB: It is the responsibility of the COR/AORs and Activity Managers to ensure that implementing partners who will be using pesticides have access to and apply the recommendations of the PERSUAP.

iii) Multiplication and dissemination of new/improved planting material:
A Negative Determination with Conditions, pursuant to 22 CFR 216.3(a)(2)(iii), is recommended for activities involving dissemination and multiplication of improved and/or new planting material.

Suppliers shall: 1) ensure appropriateness for the agroclimatic zone to which they are being introduced; 2) avoid introducing exotic invasive species; and 3) avoid providing or promoting genetically modified organisms (GMOs). This requires identifying and mitigating any potential direct adverse impacts on the physical environment and human health and safety (such as due to aflatoxin contamination) arising from distribution of free seeds. Non-native plants will not be introduced into protected areas.

iv) Development Credit Authority (DCAs)

A Negative Determination with Conditions, pursuant to 22 CFR 216.3(a)(2)(iii), is recommended for activities involving DCAs.

Given that the Uganda FtF program’s 2014 IEE\(^1\) contains extensive provisions for provision of DCA credit guarantees, the present conditions simply restate the “standard provisions” of USAID DCA loans. The cognizant Activity Manager should refer back to the original IEE’s DCA provisions as appropriate.

The specific intent of such guarantees is to stimulate lending (and thus the activities supported by that lending) that would not otherwise take place. Thus, even in situations in which USAID will not exert direct control over the loan-making process or over Borrowers’ use of USAID-backed financing (i.e., how guaranteed funds are put to use on the ground), USAID bears partial responsibility for any unintended adverse impacts.

USAID thus has a dual responsibility: (1) to ensure that financial intermediaries receiving DCA credit guarantees have functional environmental due diligence processes in place for their DCA supported loans that enforce requirements of the “standard language,” and beyond this, compliance with host country requirements; and (2) to provide complementary TA to entities receiving DCA-backed loans to support compliance and good practice.

The Mission shall ensure that the Guaranteed Party or Parties have environmental screening system sufficient to demonstrate compliance with local environmental laws and to enable USAID to make an assessment of the environmental impact of such activities and shall submit to USAID their proposed policies and procedures to assure that the projects financed are environmentally sound and comply with applicable laws and procedures.

The supported on-lending financial institutions (FIs) will have the capacity to and fully implement an environmental due diligence process which:

- identifies loan applications for environmentally sensitive activities, as defined below;

- bars funding to activities for which funding is prohibited under the Sections 118 & 119 of the Foreign Assistance Act;
- bars funding for “classes of action normally having a significant effect on the environment (per 22 CFR 216.2.d) pending an Environmental Assessment acceptable to USAID and USAID’s approval of that assessment, and
- Ascertains compliance with Ugandan environmental statutes/regulations as a condition for loan-making.

**Monitoring and Compliance Assurance:**
(Remains as stated in the original IEE, File No. Uganda_DO1_FtF_IEE_0813214)

**General Project Implementation and Monitoring Requirements:**
(Remains as stated in the original IEE, File No. Uganda_DO1_FtF_IEE_0813214)

**Compliance with Host Country Requirements:**
(Remains as stated in the original IEE, File No. Uganda_DO1_FtF_IEE_0813214)

**Appendix:**
(The Appendix on USAID Standard Environmental Loan Provisions is added. All other Appendixes remain as stated in the original IEE, File No. Uganda_DO1_FtF_IEE_0813214).
Appendix A: USAID Standard Environmental Loan Provisions

USAID Standard DCA Loan Provisions include the proviso that approval of loans will be contingent upon the submission by the Guaranteed Party of evidence sufficient to demonstrate compliance with local environmental laws and to enable USAID to make an assessment of the environmental impact of such activities.

(a) The Loan must not be used to finance any of the following:
   (i) Goods or services which are to be used primarily to meet military requirements or to support police or other law enforcement activities;
   (ii) Surveillance equipment;
   (iii) Equipment, research and/or services related to involuntary sterilization or the performance of abortion as a method of family planning; or
   (iv) Activities which significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas,

(b) The Loan must not be used to finance any of the following without the prior written approval of USAID:
   (i) Pharmaceuticals;
   (ii) Pesticides;
   (iii) Logging equipment;
   (iv) Luxury goods (including alcoholic beverages and jewelry);
   (v) Establishing or expanding any enterprise that will export raw materials that are likely to be in surplus in world markets at the time such production becomes effective and that are likely to cause substantial injury to U.S. producers;
   (vi) Activities which would result in the loss of forest lands due to livestock rearing, road construction or maintenance, colonization of forest lands or construction of dams or other water control structures;
   (vii) Activities which are likely to have a significant adverse effect on the environment, including any of the following (to the extent such activities are likely to have a significant adverse impact on the environment):
       - Programs of river basin development;
       - Significant irrigation or water management projects (including dams and impoundments);
       - Agricultural land leveling;
       - Major drainage projects;
       - Large scale agricultural mechanization;
       - New lands development;
       - Resettlement projects;
       - Penetration road building or road improvement projects;
       - Construction of powerplants or industrial plants; or
       - Large scale potable water and sewerage projects
   (viii) Activities which are likely to involve the loss of jobs in the United States due to the relocation or expansion outside of the United States of an enterprise located in the United States, or
(ix) Activities which the Guaranteed Party is aware are reasonably likely to contribute to the violation of internationally recognized rights of workers.

Approval of loans to finance activities described in subsections (ii), (iii), (vi) or (vii) above will be contingent upon the submission by the Guaranteed Party of evidence sufficient to demonstrate compliance with local environmental laws and to enable USAID to make an assessment of the environmental impact of such activities.