

Appendix E

Summary of the U.S. Agency for International Development's Environmental Procedures

AID's environmental procedures identify integration of environmental aspects into the development assistance decision making process is a priority for the agency's resource development activities. In pursuit of the agency's mandate³ and in adherence to the National Environmental Policy Act, these environmental procedures provide a construct to 1) identify and consider environmental consequences of proposed AID actions, 2) assist institution building in developing countries, 3) identify environmental damage resulting from AID actions, and 4) carry out activities to restore the natural resource base.

AID activities, except those determined to be categorical exclusions or meeting exemption conditions⁴, are subject to the environmental procedures. Special clauses in addition to the regular environmental procedures apply to actions involving assistance for pesticide procurement or use. Although the originating office/officer may determine that a proposed action is eligible for exception to environmental review, this determination must be made in writing and reviewed by the Bureau Environmental Officer as part of the Project Identification Document or Program Assistance Initial Proposal.

The agency's actions are categorized into: 1) those known to have a potential for adverse environmental impacts, 2) those which only sometimes have such potential, and 3) those which are not likely to have any significant direct environmental effects. For the first type, an Environmental Assessment or Environmental Impact Statement usually will be prepared without the preliminary step of an Initial Environmental Examination (IEE). However, if an action in the first category is believed not to affect the environment significantly, then standard environmental procedures are followed, beginning with the preparation of the IEE.

Documents prepared as part of environmental procedure (i.e., Initial Environmental Examination, Environmental Impact Statements, Environmental Assessments, scoping statements, Determinations, and Declarations) are maintained in a permanent file and available to the public under the Freedom of Information Act.

The Initial Environmental Examination (IEE) is prepared by the originator the proposed action; in most cases concurrently with the Project Identification Document (PID) or Project Assistance Identification Proposal (PAIP). The IEE identifies probable direct and indirect environmental effects that may be generated by a proposed action. If the IEE is not

³ To upgrade the quality of life of the poor in developing countries; conduct projects that address hunger, malnutrition, overpopulation, disease, disaster, environmental and natural resource base deterioration, illiteracy, lack of housing and transportation. Assistance pursuant to Foreign and Assistance Act is provided in the form of technical advisory services, research, construction, and commodity support; and pursuant to the Agricultural Trade Development and Assistance Act (1954) by programs that address hunger, malnutrition, and facilitate economic development.

⁴ Exemptions to environmental review may be allowed in cases of international disaster assistance, emergency situations, and circumstances involving foreign policy sensitivities. The latter two require written determination of the AID Administrator or Assistant Administrator and consultation with the Council on Environmental Quality prior to approval.

completed with the PID/PAIP, then the identification document explains the cause, estimates the additional time requirement, and includes a recommendation that the Threshold Decision be delayed until IEE completion.

The completed IEE estimates the significance of the foreseeable environmental effects and includes a recommended Threshold Decision on whether to do further environmental analysis. Threshold Decisions are positive if the IEE indicates that the proposed action will have a significant environmental effect; and negative if no significant environmental effect is foreseeable. If the Bureau Environmental Officer reaches a conflicting Threshold Decision, the originating office is requested to reconsider their determination. Final determination in these cases generally lies with the Assistant Administrator.

Decision to conduct further environmental analysis (positive Threshold Decision) leads to a formal Environmental Assessment or Environmental Impact Statement as appropriate. A negative Threshold Decision requires issuance of a Negative Determination. The Administrator or Assistant Administrator may prepare a written Negative Declaration stating that environmental assessment will not be performed despite a positive Threshold Decision when:

- o a number of Environmental Assessments of Impact Statements on similar relevant activities have been prepared previously,
- o a previously prepared agency Statement or Assessment covering such an action has been considered in activity development, or
- o agency-developed design criteria have been applied to avoid significant environmental effects.

The project originating office holds the responsibility for identifying the significant issues in connection with the proposed action and determining the scope of issues to be addressed in the development of the Environmental Assessment or draft Environmental Impact Statement. The written statement of environmental scope identifies

- o significant environmental issues,
- o issue areas not requiring assessment,
- o analytical methods and disciplines involved, and
- o proposed scheduling for the continued environmental evaluation.

The scoping process is performed by persons with expertise relevant to the action and may include experts, recipient country representatives, Mission staff, and contractors. The statement is reviewed by the Bureau Environmental Officer, and may be further circulated for comment. Comments are considered and become part of the project file with the scoping statement. If, during the scoping process, it becomes apparent that the action will not significantly affect the environment, the positive Threshold Decision may be withdrawn with the approval of the Bureau Environmental Officer and environmental evaluation may be discontinued.

An Environmental Assessment (EA) describes the need that the agency action is designed to address, identifies the foreseeable significant environmental effects associated with the proposed action, the affected environments, and suggests possible alternative actions that mitigate or minimize these effects. Environmental Assessment preparation is intended to be a collaborative effort with the recipient country (to the fullest extent practicable), and is subject to their review. If the proposed action has the potential to cause international environmental effects, recipient countries are encouraged to consult with neighboring nations prior to action approval. Relevant bilateral or multilateral environmental studies in which the U.S. has participated or is a member of the preparing organization, or a concise review of environmental issues may be substituted for the EA with the approval of the AID Administrator. Environmental Assessments are reviewed and cleared by the Bureau Environmental Officer and, in certain instances, by the Agency's Environmental Coordinator and Office of the General Counsel.

AID also may develop programmatic environmental assessments that analyze environmental effects common to a specific class of actions and which are not country-specific. The content and form of these programmatic assessments are similar to Environmental Assessments and are subject to review and comment (circulated to Missions and interested governments). Individual actions falling under a programmatic assessment then may require only additional assessment of a specific aspect or area that has not been covered in programmatic analysis. Programmatic assessments also may be developed to identify categorical exclusions or to derive design criteria to mitigate common environmental effects. Such programmatic assessments may contribute to paperwork reduction for individual projects.

An Environmental Impact Statement (EIS) is prepared if an agency action is determined to affect in a significant way:

- 1) the global environment,
- 2) the U.S. environment, or
- 3) other environmental aspect at the discretion of the Administrator

Environmental Impact Statements prepared on an action that affects the U.S. environment are procedurally structured and adhere to the specific form and content requirements of the Council on Environmental Quality (CEQ). Environmental Impact Statements prepared for agency actions affecting either the global environment or other environmental aspect adhere to CEQ requirements, but also address additional AID considerations.

Draft EISs must be circulated U.S. Federal agencies, the public, AID Missions, and recipient country governments for review and comment. In some instances, the Administrator may hold public hearings on draft EISS if input beyond the required circulation procedure is desired. The final EIS along with comments are forwarded to CEQ and to all other agencies and organizations that made substantive comments on the draft. The Agency Environmental Coordinator organizes draft circulation, receives and relays reviewers comments, and coordinates distribution of the final Environmental Impact Statement.