



LAC-IEE-04-38

ENVIRONMENTAL THRESHOLD DECISION

<u>Project Location:</u>	Haiti
<u>Project Title:</u>	Emergency Reconstruction and Recovery Program
<u>Project Number:</u>	521-006
<u>Funding:</u>	US\$38 million
<u>Life of Project:</u>	FY 2004-2005
<u>IEE Prepared by:</u>	Jean Wesnel C. Saint Cyr, MEO Danielle Typinski, Alternate MEO USAID/Haiti
<u>Recommended Threshold Decision:</u>	Categorical Exclusion/Negative Determination with Conditions
<u>Bureau Threshold Decision:</u>	Concur with Recommendation

Comments:

Many components of this program are training, counseling and technical assistance, thus, would have no negative impact on the physical environment or pose any significant risk on the welfare of the surrounding community as well as non-target organisms. However, the actual physical infrastructure activities can have significant impact, unless the guidelines in the attached IEE and the Environmental Guidelines for Development Activities in LAC are carefully followed.

Therefore, per 22CFR216.2(c)(1)(i), (iii)&(v), a **Categorical Exclusion** is issued for activities such as training, technical assistance and production and distribution of school books and uniforms under Activities 1 and 4, which will have no direct effect on the environment, and thus fall under the classes of actions eligible for a categorical exclusion.

Furthermore, a **Negative Determination with conditions** is issued for all other activities involving purchase of fuel, port rehabilitation, refurbishing of ministry buildings etc under Activities 2, 3, and 5. The conditions are that all best management practices, mitigating measures, and guidelines recommended in the attached

IEE and the Environmental Guidelines for Development Activities in LAC, will be carefully followed by the implementing agent.

Also, CTOs are responsible for making sure environmental requirements are met, especially the conditions set in the IEE. It is the responsibility of the SO Team to ensure that the LSGA and MAARDs for contracts and grants contain specific instructions to this effect.

The Mission Environmental Officer (MEO) will conduct spot checks to ensure that conditions in the IEE and this ETD are met and to ensure that all activities are implemented in an environmentally sound and sustainable manner in full accordance with all salient Agency and USG policies and regulations.

In addition, the SO Team will prepare or have prepared a monitoring report at least once at the end of each FY, containing status of all mitigating actions identified in this IEE and during implementation, and submit that report to the MEO and REA for review and comments.

_____Date_____

George R. Thompson, P.E.
Bureau Environmental Officer
Bureau for Latin America and the Caribbean

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- Copy to : Victor Bullen, Acting REA
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- Copy to : IEE File

Attachment: IEE

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INITIAL ENVIRONMENTAL EXAMINATION

Project Location: Haiti

Project Title: Emergency Reconstruction and Recovery Program

Project Number: 521-006

Funding: US\$38 million

Life of Project: FY 2004-2005

IEE Prepared by: Jean Wesnel C. Saint Cyr, MEO
Danielle Typinski, Alternate MEO
USAID/Haiti

Recommended Threshold Decision Categorical Exclusion/Negative Determination with
Conditions

CONCURRENCE

Sally Patton, Office Chief
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USAID/Haiti

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USAID/Haiti

CLEARANCE

David Adams, Mission Director
USAID/Haiti

Victor Bullen, Acting USAID/Caribbean Region
Regional Environmental Advisor

**LAC BUREAU ENVIRONMENTAL
OFFICER'S DECISION**

Approved: _____
Date: _____

Background

Recent civil unrest and the departure of ex-President Aristide on February 29, 2004 left Haiti with deteriorating economic and social conditions. Confronted with extensive damage to state infrastructure and the disruption of essential services, the interim Government of Haiti (IGOH) found itself with virtually no funds and a severely limited revenue generation capacity. The government could not, under these circumstances, normalize operations or provide basic services to the Haitian people. USAID and other donors have resolved to assist the IGOH to maintain economic and political stability during the transition to a new, duly-elected government.

Through its Emergency Reconstruction and Recovery Program, USAID/Haiti has developed a course-of-action that focuses on short-term job creation, public health, disaster and humanitarian assistance, and assisting the IGOH to re-build its institutional capacity and restore essential services to the Haitian population. Under its revised Special Objective 521-006, “Streamlined Government” (SpO), the Mission will provide assistance to the IGOH in the amount of \$38 million for five illustrative activities through a Limited Scope Grant Agreement (LSGA).

Purpose of the Initial Environmental Examination

Per ADS 201.3.12.2, Pre-Obligation Requirements, all USAID-financed activities require environmental review prior to the obligation of funds. This Initial Environmental Examination (IEE) is being submitted in accordance with the Agency’s environmental guidelines as stated in ADS 204.5.1 and regulations (22 CFR 216).

Program Description

All activities covered under the LSGA will be implemented under the Mission’s SpO. The bulk of the activities will be monitored under Intermediate Result 1—“Emergency Rehabilitation and Restoration of Essential Government Services” while technical assistance to the Ministry of Finance will be monitored under Intermediate Result 2—“Improved Management of Government of Haiti (GOH) Revenue.”

USAID will assist the IGOH to encourage economic development and ensure the continued provision of essential government services. The illustrative activities of the Emergency Reconstruction and Recovery Program (the “Program”) include providing technical assistance to the Ministry of Finance to help with government revenue management and other technical support (including anti-corruption measures); rehabilitating port facilities and purchasing equipment; providing training to the Haitian customs service and port operations; assisting the Ministries of Justice and Agriculture through training and facility rehabilitation; providing technical assistance to the Ministry of Commerce to facilitate trade; purchasing commodities for and providing technical assistance to the Ministry of Public Works; and providing technical assistance to encourage publicly-owned companies to adopt internationally-accepted business practices and accountability standards. No new construction activities will be implemented under the LSGA.

Based on discussions among USAID and the Ministry of Planning, External Cooperation and the Environment, the IGOH Ministry of Finance, and the IGOH Prime Minister, the following represents illustrative activities and estimated costs:¹

(1) School Expenses for the School Year 2004-2005 (US \$11 million)

USAID will pay for costs related to the production and distribution of school books and for the production and distribution of school uniforms. Advertising costs associated with the communication of the details of this support to the general public, via the media, will also be covered under the LSGA.

(2) Energy/Electricity Support (US \$18 million)

USAID will purchase fuel to support the Ministry of Public Works (MTPTC) in its efforts to provide electricity and other essential services to the Haitian population.

(3) Rehabilitation of Ports and Customs (US \$1 million)

The rehabilitation of ports and customs will include training, technical assistance, assessments, purchase of commodities, and rehabilitation of facilities. Training and technical assistance will be provided to the Haitian customs service. USAID assistance that supports the certification of the port in Port-au-Prince will be used to partially fund an assessment of port operations and infrastructure and an action plan to address short and long-term improvements the Government of Haiti (GOH) will need to undertake to become compliant with international regulations pertaining to security at ports, regulations that become effective on July 1, 2004.

Funds will also be used for improvements and rehabilitation of existing infrastructure at the port facilities. Examples of infrastructure rehabilitation include the installation of equipment and technology to improve security, such as cameras for monitoring, and data bases to track and verify personnel eligible for access to the port. Other improvements might include enhanced lighting, and the repair of existing perimeter walls and entrances. No new construction will be implemented under this agreement and no rehabilitation activities will take place in the ocean surrounding the port.

(4) Support for Anti-Corruption (US \$1 million)

USAID will support a unit in the Ministry of Finance to support the creation of good governance mechanisms. This entity will complement, not duplicate, the existing Financial Fraud Unit. The anti-corruption unit is intended to ensure the honesty and integrity of appointed and elected officials and the civil service. Support will be provided in the forms of training and technical assistance.

¹ The level of funding may be revised based on the availability of funding from other sources and by mutual agreement.

(5) Support for Selected Ministries (US \$7 million)

USAID will support key IGOH Ministries, including the Ministries of Justice, Agriculture, Commerce, Public Works, Finance, and Planning, External Cooperation and the Environment, which are responsible for providing essential services. Such support will be provided for the rehabilitation of Ministry buildings through the purchase of commodities, refurbishment and technical assistance. In the case of the Ministry of Commerce, it is anticipated that USAID will help support the establishment of a single inter-departmental unit whose principal responsibility will be to expedite the processing of required GOH documentation for imports, exports and new business establishment to attract foreign direct investment and stimulate trade.

Targeted Ecosystem

Most of the activities will entail technical assistance, training, purchase of commodities, and the rehabilitation of select Ministries as well as the port located in downtown Port-au-Prince. There are no protected areas, such as national parks and wildlife preserves, nor natural forests or other undisturbed biotic communities near areas targeted for rehabilitation. No toxic materials, such as lead-based paints will be used during rehabilitation, and there will be no land clearing, soil grading, dredging, or pier construction. Port rehabilitation activities will not involve new construction or take place in the ocean surrounding the port.

Description of Environmental Impact

Given the very limited scale of the rehabilitation/refurbishment activities, earth-moving equipment or large purchases of chemicals or construction materials will not be involved. Hence, the activities supported in this LSGA are not expected to pose a significant ecological risk to the physical environment, the welfare of the surrounding community, non-target organisms or to water resources under most circumstances. Nevertheless, rehabilitation work may involve demolition, pipe-laying, equipment installation, structure erection, and compacting, which could harm the physical environment if sound environmental practices are not used. Therefore, the Mission Environment Officer (MEO) recommends a set of mitigations measures and guidelines, inspired from USAID Bureau for the Latin America and the Caribbean (LAC) environmental guidelines, to be applied to all activities funded under the LSGA.

Also, activities that involve the procurement and transportation of fuel as well as refueling of government trucks could have the potential to harm the physical environment and the welfare of workers and surrounding communities if best management practices (BMPs) are not implemented.

Recommended Mitigation Measures for the Haiti Emergency Reconstruction and Recovery Program

Activities 3 and 5—Rehabilitation Work at Port and Ministry Facilities

- a) Where dwellings are located close to work sites, concentrate the noisiest work and minimize dust generation. If water is abundant, wet the ground and leave the natural cover intact as long as possible.
- b) For sites located near the sea, hazardous materials must be kept above the ground in waterproof containers with locking lids that are kept closed. Facility operators must ensure that lids are kept closed.
- c) Provisions should be made to include elements such as hand-washing facilities and a waste storage room. Do not site pit close to the sea water, which makes its contamination likely. If no alternative site is available, ensure that pit is lined with impermeable material such as clay or polyethylene. Provide for safe disposal of gray water from bathing and washing or bedding. Ensure that human waste disposal minimizes health risks and that water is provided to the facility in a way that minimizes risk of contamination for workers and nearby communities.
- d) Construction crew shall be provided with temporary sanitation on site.
- e) Use local labor as much as possible.
- f) With regard to the source of building materials, identify the most environmentally-sound source of materials that is within budget. Monitor adherence to plans and impacts of materials extraction practices; modify as necessary.
- g) Establish preventive maintenance and inspection programs to eliminate or minimize spills of small quantities of chemicals such as paints or cleaners, to ensure appropriate maintenance of equipment and systems, and to prevent accidents during loading and unloading. These programs must also specify the type of corrective actions necessary to alleviate conditions that might produce spills.
- h) Appropriate sections of the LAC Environmental Guidelines for Small-scale Infrastructure will be used as a reference when necessary.

Activity 2—Electricity Support

BMPs for vehicle fueling and maintenance include good housekeeping, preventive maintenance, materials handling, spill response procedures, spill control precautions and proper waste disposal. Each USAID cooperator with a facility that maintains or fuels vehicles shall adapt this guidance to their site-specific situation.

Good Housekeeping: Good housekeeping for vehicle operations involves maintaining areas where vehicles and associated maintenance chemicals and fuels are used, received, and stored in a clean and orderly manner to minimize the potential for accidents and to prevent spills, fires, or explosions from chemicals. Good housekeeping practices include the following:

- Storing chemicals in an orderly fashion;
- Ensuring containers are closed and secure when not in use;
- Following proper procedures when loading or unloading fuels or oils;
- Promptly cleaning minor spills;
- Keeping floors dry and clean;
- Maintaining adequate clearance between storage areas and vehicular traffic; and
- Cleaning up debris or litter.

Regular and frequent inspections will be conducted by personnel listed in the site-specific plan to ensure that proper housekeeping is maintained. Employees who work at the site will need training to be aware of the types of problems that may be encountered in each particular area or operation and make every effort to visually inspect and maintain their work areas. The supervisor should then inspect the area at the end of each shift.

Preventive Maintenance: The spills of fuels, oils, and other chemicals associated with vehicle maintenance and fueling can have negative health effects on flora and fauna by entering ground water, surface water, sea water and the air through volatilization or combustion. Preventive maintenance and inspection programs must be practiced throughout all facilities to ensure appropriate maintenance of equipment and systems and to prevent conditions that could cause breakdown or failure resulting in the discharges of pollutants to the ground, sea water, storm water drainage system, and air. A vehicle preventive maintenance program also minimizes air pollution from the vehicle caused by improper combustion and/or leakage of fluids from the vehicle.

Depending on the types of equipment and activities at each facility, the preventive maintenance and inspection program that is developed shall include the following:

- Identification of equipment or systems that have potential for failures which could result in spills (including vehicles, generators, fuel tanks, fuel pumps, etc.);
- Regular inspections of the same identified equipment and systems;
- Periodic testing of identified equipment and systems, such as integrity tests for fuel tanks and pipes (minimum testing would need to be compared the quantity of fuel loaded into a tank with quantities dispersed from the fuel tank);
- Appropriate adjustment, repair, or replacement of parts for identified equipment and systems including vehicles; and
- Preventive maintenance records on the identified equipment and systems, including vehicles.

Inspection procedures are designed to increase employee awareness of the types of problems that may be encountered in each particular area or operation. Informal inspections are conducted on a daily basis. All employees working in the facility, particularly in the vicinity of the fuel and oil storage areas, are required to report any cracks, leaks, spills, or other unusual conditions to management staff. Formal inspections will be conducted for each area and piece of equipment that could result in a release of material. These inspections will be conducted by the area's supervisor at least annually. The inspector records his name, date and time of inspection, status and condition of the items inspected, observations made, and date and nature of repairs or corrective action. Inspectors will inform management staff of any items that require corrective action to be taken. In the event that a spill or leak is detected, employees should follow the spill response procedures

Materials Handling/Spill Response: The following handling procedures will be implemented at the facility to prevent releases from containers:

- Chemical and waste will be stored in designated containers that are made of a material compatible with the chemical or waste stored;
- Incompatible wastes shall never be mixed together in containers;

- Containers are closed except when a substance is being removed or when the containers are being filled; and
- Containers are regularly inspected for integrity; leaking containers are repaired or replaced.

Major spills could occur when a fuel tank or vehicle is being filled if a tank or hose were to rupture, or if the (receiving) tank did not have enough empty volume to contain the amount of product to be added. The following material handling procedures will be implemented at the facility to prevent releases while adding material to a fuel storage tank:

- Smoking will not be permitted near fuel tanks;
- The volume of the tank is checked to ensure there is enough empty volume to contain the amount of product to be added;
- All valve settings and connections are checked before transferring product to a fuel tank or vehicle;
- An employee is present and monitoring the transfer the entire time a tank is being filled; and
- Drip pans or containment will be used at nozzles and all joints of the hose, vehicle, and tank during tank and vehicle fueling to prevent spills onto the ground.

The greatest risk to the environment for a small-scale vehicle maintenance and fueling operation is careless handling of oils, fuel, and miscellaneous materials during routine maintenance. The following BMPs are recommended:

- Every effort should be made to not allow even minor spills when oil is changed or added, fueling occurs, or other chemicals are applied like paints, degreasers, etc.
- Water shall be used sparingly to clean oil and other chemicals off vehicles and other equipment; wiping the surface with rags is preferred.
- Proper disposal of all chemicals and waste is required to ensure minimal environmental impact.

Structural controls are recommended but not required. Structural controls include the use of roofs and concrete containment or pavement whereby spills can be removed before being exposed to storm water or entering the soil or ground water. Other structural controls include containment in loading/unloading areas inside buildings, and berms. Contaminated water should not be released from facility until contaminants are removed. In addition, traditional storm water management practices shall be considered and used as appropriate to divert, infiltrate, reuse, or otherwise manage storm water runoff in a manner that reduces pollutants in storm water discharges from the site. For a large facility appropriate measures could include: vegetative swales, reuse of collected storm water, outlet controls (such as oil/water separators), infiltration devices, and detention/retention devices.

Spill Response/Waste Disposal: The response to any spill or emergency situation can be divided into six major actions:

- Discovery and notification;
- Identification of material involved;
- Hazard assessment and agency notification;
- Control procedures;
- Removal and recovery or disposal of materials; and
- Post-cleanup activities.

Spill response equipment and first aid equipment should be identified and stored at the facility. This equipment is to be used by facility personnel to protect human health and the environment in an emergency situation, but without endangering themselves. If a spill should occur, every effort must be made to prevent a spill from entering the storm water drainage system. Absorbent materials will be kept at site like dirt, straw, or special pads to be used in the case of a spill. Shovels may be needed to remove contaminated soil into sealed containers. Larger spills may require the creation of dikes to prevent movement of the spill. In the event of a major spill, during the life of project implementation, USAID must be notified immediately.

A spill from a tank truck at the facility must be treated on a case-by-case basis by the truck owner. Facility management staff shall not permit a fuel truck or other truck to enter the facility that is leaking fuel or dripping large amounts of oil. When an unloading tank truck experiences a major spill event, pumps will be stopped, valves closed, and the cleanup process begun. Employees will notify the supervisor. After cleanup, a method to prevent repetition of the spill will be devised, and those procedures initiated.

Storage tank spills could occur when the tank is overfilled or components fail. Inventory control and maintenance should be conducted on a regular basis to reduce the possibility of potential spills. In the event of a storage tank spill, power to the area shall be terminated and employees should notify the facility's supervisor. Clean up will be started. If a spill is significant, USAID should be notified, and a qualified clean-up company will be employed to clean-up the spill if it cannot be safely handled by the plant personnel

The mitigation recommendations indicated above should prove sufficient to alleviate any significant environmental concerns associated with the proposed sub-agreement activity. It is therefore concluded that, if implemented as recommended above, this sub-agreement activity can be completed in an environmentally sound and sustainable manner in full accordance with all salient Agency and USG policies and regulations.

Recommendations

A Categorical Exclusion is recommended for project-financed technical assistance, training, and production and distribution of school books and uniforms under Activities 1 and 4 that have no physical interventions and no direct effects on the environment pursuant to 22 CFR 216.2(c)(1)(i) and 216.2(c)(2)(i), (iii) and (v)

A Negative Determination with conditions is recommended for all other activities entailing purchase of fuel, port rehabilitation, ministries building refurbishing etc, under Activities 2, 3, and 5.

The conditions are as follows:

1. Potential environmental impacts of the planned rehabilitation/construction activities shall be mitigated by adopting the above measures.
2. Local implementing partners will be made fully aware of the environmental mitigation and monitoring requirements presented in this IEE. In addition, partners must agree to apply measures and adhere to the requirements.
3. The contractor/grantee monitoring and evaluation process shall incorporate monitoring features into performance reports.
4. New activities introduced into the project which are substantially different from those presented in this IEE will be first reviewed in accordance with Agency environmental regulations.
5. This IEE does not cover other activities involving procurement, transport, use, storage, or disposal of toxic or hazardous materials other than fuel. Any situation dealing with such will require an amended or separate IEE.
6. Noise standard of industrial enterprises will be strictly enforced to protect construction workers from damage. Workers in vicinity of strong noise will wear earplugs, helmets, and other relevant safety equipment.
7. Traffic control issues should be coordinated with public transportation and security services.
8. The above mitigation measures and guidelines should be translated into local languages (French and Creole) and distributed to all sub-contractors and grantees, which will be responsible for training their personnel in these measures, and posting safety guidelines in all appropriate places.
9. An environmental monitoring, evaluation and mitigation process shall be established and used by the implementing partners, including sub-grantees and the GOH, in collaboration with USAID/Haiti. Updated summaries of activities and their status, based on the procedures described in this IEE, will be periodically submitted to the MEO and the Cognizant Technical Officer. The summaries should outline the type, scope and implementation status of the activities and their corresponding mitigation and monitoring requirements

