AGA KHAN FOUNDATION CANADA

Policy for Environmental Sustainability

MAY 2015

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Acronyms

AKDN	Aga Khan Development Network
AKFC	Aga Khan Foundation Canada
Class EA	Class Environmental Assessment
GAC	Global Affairs Canada
EA	Environmental Assessment
EI	Environmental Integration
EMP	Environmental Management Plan
EMS	Environmental Management Strategy
M&E	Monitoring and Evaluation
NPO	National Partner Organization (within AKDN)
SEA	Strategic Environmental Assessment

EXECUTIVE SUMMARY

AKFC POLICY FOR ENVIRONMENTAL SUSTAINABILITY, 2015

A. ENVIRONMENT AND DEVELOPMENT

Aga Khan Foundation Canada (AKFC) is a non-profit international development agency, working in Asia and Africa to find sustainable solutions to the complex problems causing global poverty. Established in 1980, AKFC is a registered Canadian charity and an agency of the worldwide Aga Khan Development Network.

Recognizing the interrelationship between poverty reduction and environmental sustainability, AKFC adopted its first *Policy for Environmental Sustainability* (PES) in 2005, which included an environmental screening and assessment process and sector-specific Environmental Guidelines. This was supported by AKFC and partner staff training and training-of-trainers, monitoring and technical assistance. The new PES 2015 will cover the period 2015-2024, and includes an Environmental Integration Process, tools, templates and technical guidance. There are multiple reasons to continue to strengthen AKFC's policy commitment to environment sustainability at this time:

- *Environmental sustainability is a substantive cross-cutting theme in AKFC programming* as it involves safeguarding the biophysical basis for human development. Climate change and environmental degradation threaten to impede progress towards achieving the goals of poverty alleviation and improved quality of life.
- *Environmental integration is a legal, policy, procedural and ethical responsibility* to ensure that projects are effective and sustainable; comply with relevant Canadian, GAC and partner country environmental laws, policies and procedures; and promote sustainability for present and future generations across the globe.
- *Environmental integration is central to best development practices and best business practices*: environment is now being "mainstreamed" across diverse development sectors and international cooperation efforts.
- *There are specific environment-development linkages within all AKFC program sectors*; key issues include natural resource and environmental degradation; food security and sustainable agricultural systems; climate change adaptation; environment-related natural disasters; water and health; and managing infrastructure.

B. AKFC COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

AKFC will work with its partners, the National Partner Organizations in each AKDN partner country to:

Goal: Ensure that AKFC and AKFC-supported initiatives are environmentally sustainable.

Objectives: Ensure that AKFC and its partner organizations:

1. mitigate possible negative impacts of their initiatives on the environment;
2. enhance positive environmental impacts (benefits) from their initiatives;
3. address possible negative impacts of the environment on their initiatives (e.g., natural disasters, natural resource degradation);
4. address possible impacts of climate change on their initiatives, incorporating climate adaptation and resilience strategies, as needed;
5. strengthen their capacity to design, implement and monitor environmentally sustainable initiatives; and
6. help Canadians learn about and support environmentally sustainable development.

Guiding Principles:

1. Meet Government of Canada and DFTAD environmental legal, regulatory, policy and procedural requirements and guidelines.
2. Meet relevant host country environmental, legal, regulatory and policy requirements.
3. Support Canadian and partner country commitments to multilateral environmental agreements (MEAs),

especially the UN conventions on climate change, biodiversity and desertification/land degradation, where relevant.

4. Go beyond compliance and administrative requirements to ensure that environmental integration improves development outcomes, based on international best practices.
5. Use screening and scoping to ensure that environmental assessment is tailored to the type and scale of a proposed project, and related environmental risks and opportunities.
6. Engage local partners and communities in implementing practical environmental sustainability strategies and activities that address their needs and priorities.

C. POLICY IMPLEMENTATION

AKFC will employ three implementation strategies to help achieve the PES 2015 goals and objectives, as follows:

1. Environmental Integration Process

The AKFC *Environmental Integration Process (EIP)* incorporates established environmental screening, assessment and monitoring tools at each stage of the project cycle, including:

Tool #1. Environmental Integration (EI) Screening Tool: used to screen a proposed initiative in the design stage to identify if an environmental assessment is required, and if so, the type and depth of assessment.

Tool #2. Strategic Environmental Assessment (SEA): a comprehensive, high-level assessment used early in project design to analyse the environmental implications of a major initiative that may involve multiple components, regions and/or countries; includes a proposed project Environmental Management Strategy.

Tool #3. Environmental Assessment (EA) (or Site-specific Environmental Assessment): a systematic review of a proposed project component or activity to identify: possible significant negative environmental impacts and how to mitigate them; possible positive environmental impacts (benefits) and how to enhance them; and possible impacts of the environment and climate change on the project and how to manage, monitor and/or adapt to them. The completed EA also proposes follow-up and monitoring strategies.

Tool #4. Class Environmental Assessment (Class EA): A Class EA is an environmental assessment that is done for a group of identical or similar project components or activities.

2. Organizational and Administrative Systems

The Environmental Integration Process will be incorporated into organizational, management and accountability frameworks. Two-year PES Implementation Plans will identify priorities and activities for that period, and will serve as a tool to also systematically monitor and evaluate PES implementation. AKFC program officers are responsible for implementing the PES in their respective projects. The AKFC Environmental Focal Point has overall responsibility for implementation and enforcement of the PES at the organizational level.

AKFC will support NPOs in developing systems to address PES-related requirements and processes. The agency will also show organizational leadership in environmental sustainability within the AKDN and globally through participating in broader efforts to integrate environment and development, including sharing lessons learned.

3. Capacity Development

AKFC will use provide technical assistance and environmental learning activities to strengthen AKFC and NPO staff capacity for environmental integration. Two-year Environmental Learning Plans will incorporate practical, experiential awareness-raising, training, materials, based on priorities and resources. This will be reinforced by organizational capacity-building, including demonstrated senior management leadership and support for the policy; provision of necessary financial resources and technical expertise; and other measures to build a supportive organizational culture within AKFC and NPOs.

1 INTRODUCTION

1.1 Overview

This document summarizes the core elements of the Aga Khan Foundation Canada (AKFC) Policy for Environmental Sustainability (PES), as listed in Box 1. The PES consists of a general framework (Sections 1-3), along with tools, templates and guidance to implement the policy (Annexes A to C.) Please contact the AKFC Environmental Focal Point (EFP) or the EFP of the National Partner Organization (NPO) responsible for a specific AKFC-supported project for clarification and assistance on any aspect of the policy.

BOX 1. AKFC POLICY FOR ENVIRONMENTAL SUSTAINABILITY – CORE ELEMENTS

Policy Framework

1. Introduction
2. Goals, Objectives and Guiding Principles
3. Implementation Strategies
   - 3.1 Environmental Integration in the Project Cycle
   - 3.2 Organizational and Administrative Systems
   - 3.3 Capacity Development

Annex A. Environmental Integration Tools and Templates

- #1. Environmental Integration Screening Tool (EI Screening Tool)
- #2. Strategic Environmental Assessment (SEA): Overview & Template
- #3. Environmental Assessment (site-specific) (EA): EA Form
- #4. Class EA: Overview & Template

Annex B. Overview of Environmental Assessment

Annex C. AKFC Environmental Guidelines

1.2 AKFC and Environmental Sustainability

Established in 1980, AKFC is a registered Canadian charity and an agency of the worldwide Aga Khan Development Network (AKDN), a group of development agencies with individual mandates that address social, economic and cultural dimensions of development. Active in 30 countries, AKDN agencies share a mission to improve living conditions and opportunities for the poor, without regard to their faith, origin or gender.

As a non-profit international development agency, AKFC works in Asia and Africa to find sustainable solutions to the complex problems causing global poverty. The agency supports programming that tackles poverty over the long term, with the community in the lead. AKFC programs concentrate on specific development challenges in health, education, rural development and strengthening civil society. In Canada, AKFC raises funds, builds partnerships with Canadian institutions, and promotes discussion and learning on international development issues.

Many AKFC efforts are undertaken in cooperation with the Government of Canada, through Global Affairs Canada (GAC) and other institutional donors. AKFC often acts as an executing agency for GAC-supported initiatives, working closely with independent NPOs who design and implement the projects. AKFC is responsible for grant management and, ultimately, for project results. It mobilizes resources and provides NPOs with technical assistance in monitoring, evaluation and capacity development. This helps ensure that all AKFC-supported programs meet accepted standards for development best practices and due diligence, including those related to environmental sustainability.

AKFC has long recognized the interrelationship between poverty reduction and environmental sustainability. In 2005, it adopted a *Policy for Environmental Sustainability*, which included an environmental assessment process and sector-specific Environmental Guidelines (Annex C.) Policy implementation was supported over the decade by AKFC and partner staff trainings, training-of-trainers programs, monitoring and technical assistance.

The new *AKFC Policy for Environmental Sustainability* (PES 2015) will cover the period 2015-2024. It includes an Environmental Integration Process, and tools and templates that can be updated as needed. The PES 2015 is based on the results of a policy review and capacity assessment done in early 2015 to identify: successes and lessons learned since 2005, the changing environmental policy context, and emerging organizational priorities.

While this is an AKFC organizational policy, it will be implemented in the spirit of partnership and collective learning that is part of all AKFC collaboration with NPOs. NPOs may want to ask other donors to recognise the AKFC Environmental Integration Process as equivalent to their own environmental assessment or safeguards process, so that the NPO can follow a single process.

1.3 Why Have a Policy?

AKFC recognizes that climate change and environmental degradation threaten to impede progress towards achieving the goals of poverty alleviation and improved quality of life in the countries where it works. The agency is committed to integrating environmental sustainability into its programming, using established environmental screening and assessment tools. Participants in the capacity assessment identified multiple reasons to strengthen AKFC's 2005 policy commitment to environment sustainability, as described below.

BOX 2. WHAT IS ENVIRONMENTAL SUSTAINABILITY?

Environmental sustainability is one of the three interlocking components of sustainable development, along with social and economic sustainability.

Environmental sustainability requires:

- ensuring that ecosystems continue to provide the ecological services that help to meet basic human needs and support livelihoods, communities, economies and quality of life;
- managing and conserving ecosystems and natural resources to maintain their long-term productivity;
- protecting land, air and water quality through pollution prevention and control; and
- maintaining biodiversity, i.e., the variety of life found in natural and human-managed ecosystems.

Environmental sustainability is a substantive cross-cutting theme in AKFC programming.

Environmental sustainability (Box 2) is a natural and critical element of the AKFC mission since it involves safeguarding the biophysical basis for human development. Many AKFC-supported activities could potentially affect environmental quality, both positively and negatively, depending on how they are managed. The benefits of integrating environmental sustainability into AKFC programs include:

- ensuring that development activities are suitable to their biophysical and human setting;
- mitigating (i.e., avoiding or minimizing) possible negative environmental impacts from projects;
- enhancing the environmental benefits of projects;
- promoting efficient and sustainable use of ecological goods and services, including natural resources;
- engaging communities in identifying and addressing priority environmental and natural resource-related issues;
- responding to regional and global environmental trends affecting communities; and
- avoiding costs and delays from unanticipated negative impacts that could undermine development efforts.

Environmental integration is a legal, policy, procedural and ethical responsibility.

AKFC is committed to managing its projects in a way that is consistent with Canadian environmental laws and policies, GAC environmental policies and procedures, and the environmental requirements of partner countries. The former include, but are not limited to:

- Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals (Strategic Environmental Assessment)
- Canadian Environmental Assessment Act (CEAA), 2012
- GAC Policy for Environmental Sustainability, 1999

Environmental integration, like promoting gender equality and effective monitoring and evaluation, is also a

professional and technical responsibility that make projects more effective and sustainable. Finally, there is a moral and ethical responsibility to ensure environmental sustainability for present and future generations, and for people and communities across the globe. This duty includes protecting equitable access to, and governance of, ecosystem goods and services, including natural resources, as part of development programs.

Environmental integration is central to best development practices and best business practices.

Since the first AKFC PES was adopted in 2005, there has been increasing recognition at both local and global levels of the crucial role of environmental sustainability in meeting basic human needs and supporting long-term economic and social development. The concept of "sustainable development" took centre stage as a development paradigm in the 1990s. However, actions on the ground often focused on environment as a sector, for example, addressing water, air and land pollutionm and natural resource management. While these sectors are cornerstones of environmental sustainability, it is now widely understood that environment must also be "mainstreamed" across all development sectors to achieve true sustainability.

Environmental integration, including climate change mitigation and adaptation, is now a core component of most international cooperation efforts. Virtually all international donor organizations, including the UN agencies, World Bank, regional banks, research organizations, private foundations and NGOs, have adopted environmental and social safeguards or "due diligence" requirements that include environmental screening and assessment. In addition to the traditional focus on mitigating potentially negative impacts, these organizations are increasingly seeking ways to promote environmental benefits and "value-added" from development programs. This includes working with communities to devise adaptation and resilience strategies to respond to environmental, climate change and natural disaster-related risks and challenges.

Environmental sustainability has also become part of best business practices for public and private sector organizations working internationally. For some, this includes adopting Corporate Social Responsibility standards and practices that address the "triple bottom line" of environmental, social and economic sustainability.

There are specific environment-development linkages within all AKFC program sectors.

AKFC is strategically placed to promote environmental sustainability due to the grassroots, community-driven nature of its development approach, and the strong technical expertise found within the AKDN. The following linkages are especially relevant to AKFC and its partners:

- Natural resource and environmental degradation often negatively affects the livelihoods, health and well-being of rural populations.
- Environmental sustainability is key to achieving food security and sustainable agricultural systems.
- Climate change has emerged as a cross-cutting factor affecting development efforts.
- Many communities are vulnerable to natural disasters, to which environmental degradation and climate changes are often contributing factors. Environment protection and Disaster Risk Reduction (DRR) are linked; investment in environmental rehabilitation can contribute to positive DRR outcomes and *vice versa*.
- Water quality, water supply, sanitation and waste management issues are strongly linked to health outcomes in both rural and urban environments.
- Small-scale infrastructure provides opportunities for environmental enhancement, and could have local environmental impacts that need to be assessed and managed.
- Emerging industrial development in some AKF countries/regions of work could affect rural and urban communities, including human health, livelihoods and well-being.

2 GOAL, OBJECTIVES AND GUIDING PRINCIPLES

AKFC will work with its partners, the National Partner Organizations in each AKDN partner country, to achieve the following policy goal and objectives, based on six guiding principles.

GOAL: Ensure that AKFC and AKFC-supported initiatives are environmentally sustainable.

OBJECTIVES: Ensure that AKFC and its partner organizations:

1. mitigate possible negative impacts of their initiatives on the environment;
2. enhance positive environmental impacts (benefits) from their initiatives;
3. address possible negative impacts of the environment on their initiatives (e.g., natural disasters, natural resource degradation);
4. address possible impacts of climate change on their initiatives, incorporating climate adaptation and resilience strategies, as needed;
5. strengthen their capacity to design, implement and monitor environmentally sustainable initiatives; and
6. help Canadians learn about and support environmentally sustainable development.

GUIDING PRINCIPLES

1. Meet Government of Canada and DFTAD environmental legal, regulatory, policy and procedural requirements and guidelines.
2. Meet relevant host country environmental, legal, regulatory and policy requirements.
3. Support Canadian and partner country commitments to multilateral environmental agreements (MEAs),[1] especially the UN conventions on climate change, biodiversity and desertification/land degradation, where relevant.
4. Go beyond compliance and administrative requirements to ensure that environmental integration improves development outcomes, based on international best practices.
5. Use screening and scoping to ensure that environmental assessment is tailored to the type and scale of a proposed project, and related environmental risks and opportunities.
6. Engage local partners and communities in implementing practical environmental sustainability strategies and activities that address their needs and priorities.

[1] MEAs include global treaties, conventions and accords created at the global, regional/multi-country or ecosystem level, which are signed by countries that agree to cooperate to resolve specific environmental issues. Both Canada and AKFC's partner countries have signed numerous MEAs as well as being committed to the UN Millennium Development Goals, which will be replaced by the UN Sustainable Development Goals in 2015.

3 IMPLEMENTATION STRATEGIES

AKFC will use three implementation strategies to help achieve the PES 2015 goals and objectives, as listed below and discussed in this section:

1. Environmental Integration Process
2. Organizational and Administrative Systems
3. Capacity Development

3.1 Environmental Integration Process

The core implementation strategy for the PES is the AKFC *Environmental Integration Process (EIP)*, summarized in Figure 1. This figure shows the environmental screening, assessment and monitoring tools to be used at each stage of the project cycle, from proposal to final report. Box 3 provides definitions for these tools, while Annex A provides a more detail description and suggested template for each. Annex B provides an "Overview of Environmental Assessment," which applies to all the environmental integration tools. Annex C presents the AKFC Environmental Guidelines (2005), which identify possible impacts and mitigation measures for specific sectors and types of activities. Excellent technical guidance on sectoral best practices is also found at USAID Global Environmental Support (GEMS) www.usaidgems.org/bestPractice.htm, which provides Sectoral Environmental Guidelines, Visual Field Guides, and Sector Bibliographies and Resources.

BOX 3. ENVIRONMENTAL INTEGRATION TOOLS

Note: The specific meaning of the following terms, when used in an environmental clause in a GAC contribution agreement, should be clarified by the GAC program officer working with the program.
See Annex A for more details on each tool.

Environmental analysis: This term has two usages within GAC-supported initiatives:

a. an umbrella term referring to the various types of environmental assessment that may be carried out during program/project design and planning (as listed below); and

b. the text provided in the GAC Application Form, Section 4.0, Environmental Analysis to describe how environmental sustainability will be integrated into a proposed initiative.

Tool #1. Environmental Integration (EI) Screening Tool: This is a table used to screen a proposed development initiative early in the design stage to identify if an environmental assessment is required, and if so, what type and depth of assessment is appropriate. It is used to classify project components/activities into four categories, based on the degree of potential environmental risk and opportunity each presents:[2]

Category A. High Environmental Risk – requires in-depth environmental assessment (e.g., SEA)

Category B. Low to Moderate Environmental Risk or Opportunity – requires environmental assessment (e.g., EA or Class EA)

Category C. Negligible Environmental Risk or Opportunity – environmental assessment not required

Category D. Emergency – environmental assessment not required; use global best practices for managing impacts in emergency situations

[2] These categories are further defined in the EI Screening Tool, found in Annex A.

Tool #2. Strategic Environmental Assessment (SEA): SEA is a comprehensive, high-level assessment used to analyse the environmental implications of a major proposed initiative that may involve multiple components, sectors, regions and/or countries. AKFC will use SEA is a tool to integrate environmental sustainability early in project design. The SEA Report will include an *Environmental Management Strategy* for the project, to be used during implementation, monitoring and evaluation.

Tool #3. Environmental Assessment (EA) (or Site-specific Environmental Assessment): An EA is a systematic review of a proposed initiative in a specific location (usually done at the component or activity level of an AKFC project) to identify:

- possible significant negative environmental impacts and how to mitigate them;
- possible positive environmental impacts (benefits) and how to enhance them; and
- possible impacts of the environment and climate change on the project and how to manage, monitor and/or adapt to them.

NPOs will usually use the EA Form to conduct an EA for a Category B activity (based on the EI Screening Tool categorization.) The NPO may engage an external expert to prepare an EA Report for a Category A activity. The EA Form includes a *Follow-up and Monitoring Checklist*, while each EA Report will include a *Environmental Management Plan (EMP)* that can be used when implementing the activity.

Tool #4. Class Environmental Assessment (Class EA): A Class EA is an environmental assessment that is done for a group of identical or similar project components or activities that are:

- generally small-scale, and with limited, localized impacts;
- likely have fairly predictable and manageable environmental effects, and
- proposed within a region/area with similar biophysical and socio-economic characteristics.

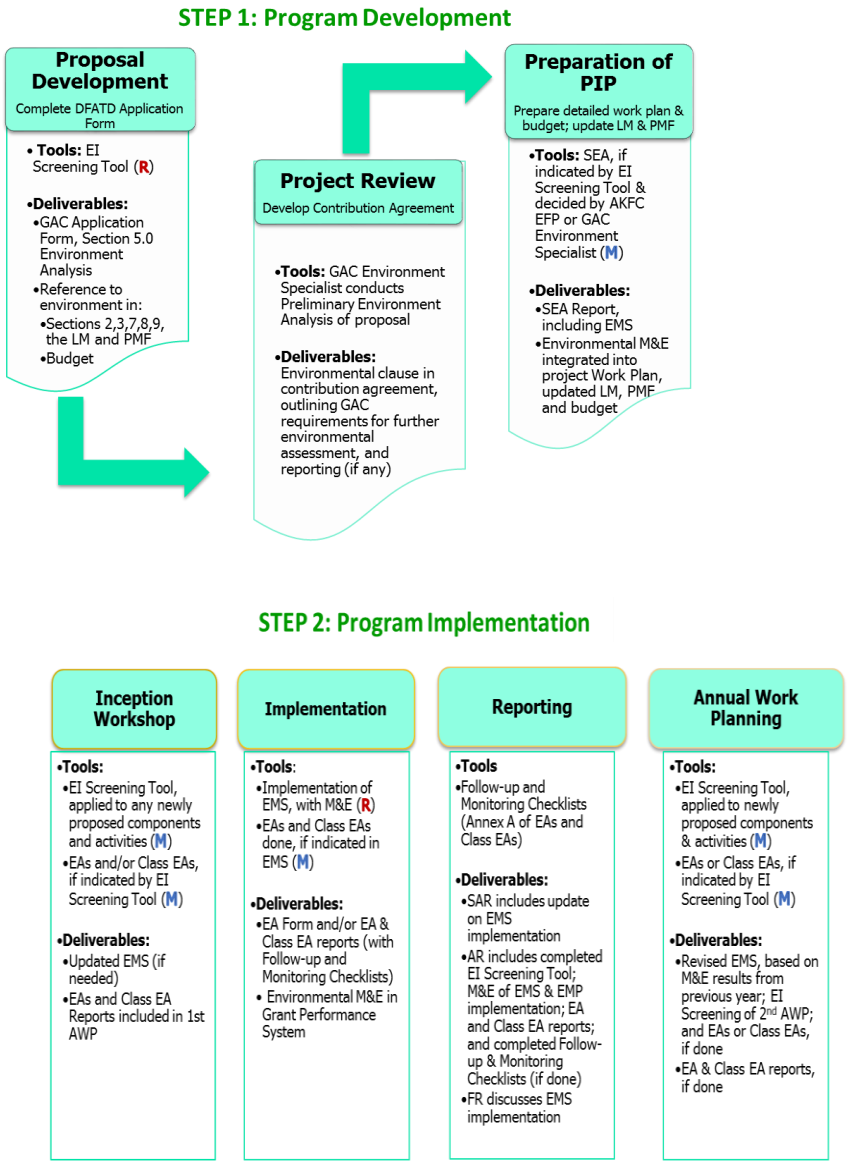
A Class EA identifies mitigation and enhancement measures to be applied to the entire group of activities. A Class EA must still include ways to consider the specific environmental setting for each activity.

Possible examples of AKFC activities that could be considered for a Class EA include construction of latrines or water points in multiple communities, if using a similar engineering design, and if being installed in a similar biophysical setting, i.e., with comparable topography, soils and hydrology. The AKFC Environmental Guidelines (2005) and USAID GEMS program "Sectoral Environmental Best Practices" will be useful for these assessments www.usaidgems.org/bestPractice.htm

Follow-up and Monitoring will be done for each SEA (using the EMS), EA and Class EA (using the Follow-up and Monitoring Checklist and/or an Environmental Management Plan), as part of routine project monitoring and evaluation. Its purpose is to:

- assess the degree to which mitigation measures are being implemented, and their effectiveness;
- determine whether planned environmental benefits are occurring;
- identify any changes or refinements to the project that have environmental implications that should be addressed;
- identify whether new environmental or climate change factors are affecting the project; and
- recommend actions to address any of the above, if required.

FIGURE 1. AKFC ENVIRONMENTAL INTEGRATION PROCESS



R =	Required	M&E =	Monitoring & Evaluation
M =	Maybe, if needed	AWP =	Annual Work Plan
LM =	Logic Model	EMS =	Environmental Management Strategy
PMF =	Performance Measurement Framework	EFP =	Environmental Focal Point
SEA =	Strategic Environmental Assessment	EI =	Environmental Integration
SAR =	Semi-Annual Report	AR =	Annual Report
FR =	Final Report		

3.2 Organizational and Administrative Systems

AKFC will ensure that organizational and administrative systems support PES implementation.

The Environmental Integration Process will be incorporated into organizational, management and accountability frameworks. These include the Grant Performance System and standards; project monitoring and evaluation; reporting and documentation systems; and staffing and human resources development. AKFC will provide NPOs with guidance and technical support, as needed, to ensure that their program management systems also address PES-related commitments and requirements.

AKFC program officers are responsible for implementing the PES as part of managing their respective projects. The AKFC Environmental Focal Point has overall responsibility for implementation and enforcement of the PES at the organizational level.

AKFC will systematically monitor and evaluate PES implementation.

AKFC will prepare two-year PES Implementation Plans that will identify priorities and activities for each of the three implementation strategies. Every two years, the agency will review the previous plan, evaluate progress, identify emerging needs and priorities, and prepare a new two-year plan. Every five years, it will organize an external evaluation of the PES 2015, based on selected performance indicators (to be developed in year 1.) The environmental integration process, tools and implementation strategies will be refined to respond to evaluation findings, including evolving donor requirements and guidance.

AKFC will show organizational leadership in environmental sustainability within the AKDN and globally.

Key approaches to implement this commitment include:

- Continue to participate in AKDN efforts to develop environmental integration processes and technical guidance, and share experience and lessons learned with other AKDN agencies.
- Continue to have an AKFC Environmental Focal Point (EFP) to monitor the PES 2015, oversee the Environmental Integration Process, act as a resource person for AKFC and NPOs, and coordinate environmental learning and capacity development (Section 3.3.)
- Encourage NPOs to cooperate with partner country environmental authorities, NGOs and CSOs to support sustainability efforts in the country/region, where possible and relevant to AKFC-supported initiatives.
- Consider developing new AKFC Environmental Guidelines, as needed, for example:
  - Corporate Sustainability Guideline – to promote "green" practices for AKFC facilities and operations, such as green procurement, energy and water conservation, and recycling.
  - Public Engagement and Professional Learning Guideline – to help make Canada-based engagement activities environmentally sustainable and showcase environmental aspects of AKFC-supported work.

3.3 Capacity Development

AKFC will support environmental capacity development for AKFC and NPO staff.

AKFC will use provide technical assistance and environmental learning activities to strengthen AKFC and NPO capacity for environmental integration. An Environmental Learning Plan will be developed as part of each two-year Implementation Plan (Section 3.2), based on emerging needs and priorities. A range of environmental learning activities will be considered, depending on available resources. These could include formal and informal awareness-raising, training, training-of-trainers, e-learning, an environmental kit (briefing materials), experience-sharing, knowledge networks, and linkages with external organizations and expertise. Environmental learning will focus on practical, experiential activities; work responsibilities; real projects; and AKFC experience to date. AKFC will aim to incorporate environmental learning activities for NPOs and beneficiaries into project design, where relevant.

Staff capacity development will be complemented by organizational capacity-building.

Regular staff turnover is common at both AKFC and NPO offices, due in part to the project-driven nature of AKFC-supported initiatives. This can contribute to a decline in AKFC and NPO environmental capacity over time, as knowledge and skills acquired through training and experience are lost through staff attrition. To address this, staff environmental learning will be reinforced by organizational capacity-building, including activities to institutionalize environmental sustainability, as discussed in Section 3.2, and specific measures to:

- demonstrate consistent and continuing senior management leadership and support for the PES;
- make available the financial resources and technical expertise needed for PES implementation; and
- build a supportive organizational culture within AKFC and NPOs that positions environmental safeguards, along with social and financial safeguards, as well as promotion of gender equality, as part of AKFC's commitment to employing best development practices and best business practices.

ANNEX A. ENVIRONMENTAL INTEGRATION TOOL KIT

Figure 1 and Box 3 in Section 3.1 of the PES show when and how the AKFC environmental integration tools are used during the project cycle. This annex describes those four environmental screening and assessment tools (listed below) and provides a form or template for each:

Tool #1: Environmental Integration Screening Tool

Tool #2: Strategic Environmental Assessment (SEA)

Tool #3. Environmental Assessment (site-specific) (EA)

Tool #4. Class Environmental Assessment (Class EA)

Tool #1. Environmental Integration Screening Tool

Environmental screening is required for all AKFC-supported initiatives. The AFKC Environmental Integration Screening Tool (pages 2-6), is adapted from GAC's Environmental Integration Process Screening Tool (2014) www.international.gc.ca/development-developpement/priorities-priorites/enviro/eip_screening-pie_examen.aspx?lang=eng AKFC and NPOs can use the AFKC tool to screen projects approved by GAC both before and after May 12, 2014, the date when the Canadian Environmental Assessment Act (CEAA) 1999 was replaced by the CEAA 2012, revising Canada's legal requirements for environmental assessment. (Note: The AKFC EI Tool includes the same sectors and activities that were listed in the AKFC 2005 "EA Screening Matrix.")

AKFC and NPOs will use the EI Screening Tool to determine which of four categories – A, B, C or D – apply to a proposed initiative. The categories are based on the potential environmental risks and opportunities associated with the proposed initiative, given the sector(s), scale and location(s) involved. They include:

- Category A: proposed initiatives with potentially high environmental risk
- Category B: proposed initiatives project with potentially low to moderate environmental risk or opportunity
- Category C: proposed initiatives with negligible environmental risk or opportunity
- Category D: proposed initiatives undertaken in response to an emergency

The screening will indicate whether or not an environmental assessment (EA) is required, and if so, what is the appropriate EA tool, and depth and scope of analysis required. Categories A and B require an environmental assessment, while categories C and D do not. NPOs will often be able to use the EA Form to conduct an EA for a Category B activity, but may wish to engage an external expert to prepare an EA Report for a Category A activity.

The definitions for each category, provided in the tables below, should be used to determine the appropriate category; the lists of sectors and activities covered by each category are provided as examples only. Also, if details of an initiative change during implementation, the assigned category may have to be changed and further assessment may be required.

Note: As of May 2015, the GAC definitions of "small", "medium", and "large-scale" activities, as used in the tables, were being developed. AKFC will provide staff and partners with working definitions that are appropriate to its development interventions until further guidance is available.

Tool #1. Environmental Integration Screening Tool

This Environmental Integration Screening Tool is a guide for AKFC partners/ NPOs. The final category determination will be made by AKFC, in collaboration with the NPO. **Note:** GAC is ultimately responsible for the environmental sustainability of projects it funds and can monitor these determinations at any time as part of its project accountability systems.

Tool #1. ENVIRONMENTAL INTEGRATION SCREENING TOOL – SUMMARY TABLE					
Name of project:					
Program officer who conducted this screening (name, position):					
Date of screening:					
	CATEGORY OF ENVIRONMENTAL RISK Use an X to indicate the category of risk – A, B, C or D (see guidance on pages 2-6)				
PROJECT COMPONENT OR ACTIVITY *List Log Frame outcome and/or output number, and name of component or activity*	**Category A. High potential environmental risk**	**Category B. Low to moderate environmental risk or opportunity**	**Category C. Negligible environmental risk or opportunity**	**Category D. Emergency**	**Not enough information/ will be screened later** *(indicate when, if known)*

Tool #1. ENVIRONMENTAL INTEGRATION SCREENING TOOL – CATEGORY DESCRIPTIONS and EXAMPLES

Category A - High Environmental Risk

Definition: Initiatives involving components and activities with *potentially high environmental risk.*

Category A initiatives require in-depth environmental assessment, including Strategic Environmental Assessment (SEA) at the program/project level, and site-specific Environmental Assessment (EA) or Class Environmental Assessment (Class EA) for specific project components and activities.

Examples of Category A initiatives include, but are not limited to:

- Construction, abandonment, or decommissioning of large-scale infrastructure, including:
  - Buildings, such as hospitals, schools, training facilities, housing and community or administration buildings
  - Water, sanitation and irrigation projects involving permanent physical works
  - Roads, bridges and hydro-electric dams, including mini-hydels
  - Barns, animal pens or other permanent physical works
  - Rehabilitation of infrastructure after a natural disaster or other major damage

  Notes on infrastructure:
  - An EA is not required for emergency response activities, which are in Category D.
  - An EA is not required for routine repair and maintenance of infrastructure, as long as the original design, location and use is not causing negative environmental effects.
- Large-scale water resources management, including: watershed and/or river basin management; water supply and/or management systems (e.g. reservoirs, irrigation, dams, drainage, flood control); wastewater treatment plants; sewage systems
- Large-scale land use changes (e.g., non-food crops, deforestation, clearing of vegetation, land use planning)
- Large-scale food production (e.g., agriculture, ranching, animal husbandry, agro-industries, food processing, fisheries, aqua- or mariculture)
- Large-scale industrial, manufacturing or waste management systems (e.g. domestic, biomedical, electronic, industrial systems)
- Medium or large-scale energy production, supply or transmission (e.g. wind or solar farm, dams, power plant, bioenergy)
- Extractive sector activities (e.g., mining, oil, gas, quarries)
- Medium or large-scale procurement, use, storage, or disposal of hazardous or toxic substances (e.g., pesticides, fertilizers, petrochemicals)
- Medium or large-scale population relocation or resettlement
- Any activities that could have negative effects on environmentally sensitive or protected areas, including:
  - Areas containing vulnerable natural features (e.g., coral reefs, mangrove forests, tropical forests)
  - Ecosystems containing plant or animal species at risk, or critical biodiversity or habitat
  - National parks, areas protected by law or regulation (international, national or municipal laws, regulations or conventions

Category B—Low or Moderate Environmental Risk or Opportunity

Definition: Initiatives involving sectors and activities with *potentially low or moderate environmental risk or opportunity*.

Category B initiatives require an environmental assessment, using the AKFC EA Form (Annex A, Tool #3), which can be completed by the NPO. Some components or activities with more significant potential impacts may require a more detailed Environmental Assessment Report or a Class EA Report, prepared with external expertise. The decision on which type of EA is required, and its scope, length and level of detail, depends on the significance of the possible environmental risks, impacts and opportunities.[3] (See further guidance under each tool.)

Examples of Category B initiatives include, but are not limited to:

- Construction, repurposing, operation, expansion, abandonment, or decommissioning of small or medium-scale infrastructure (e.g., small- or medium-scale buildings, such as clinics, schools, houses, storage facilities)
- Small- or medium-scale water resources management activities (e.g., wells, latrines, irrigation/drainage activities)
- Small- or medium-scale changes in land use
- Small- or medium-scale food production (e.g. agriculture, horticulture, fruit production, animal husbandry, agro-industries, food processing, fisheries, aqua- or mariculture)
- Small- or medium-scale forestry (e.g. agro-forestry, community forestry, reforestation, nurseries and seed production))
- Small-scale energy production and conservation projects: e.g., heating and cooking, alternative energy, conservation projects
- Small- or medium-scale waste management (e.g. domestic, biomedical, electronic)
- Small-scale procurement, use, storage, or disposal of hazardous or toxic substances (e.g. pesticides, fertilizers, petrochemicals)
- Economic development (e.g., micro, small or medium enterprise development; microfinance; trade; investment):
  - Fishing, shellfish, sea product harvesting, aquaculture
  - Food & beverage processing or marketing (e.g., food smoking and canning, brewing)
  - Small-scale mining, smelting, stone grinding, brassware production
  - Small-scale foundries, metal mechanics and finishing, welding, electroplating, plumbing, car repair and car parts recycling
  - Recycling: collection, reuse, reprocessing and remanufacture, e.g., computers/ electronics, batteries, paper, wire/metals, plastic & glass
  - Tourism and ecotourism
  - Textile manufacturing and finishing, leather tanning
  - Handicrafts, home-based enterprises and piece-work (e.g., textile production, basket-weaving, candle-making, glass-making and ceramics)
  - Production and packaging of chemicals, pesticides and soaps
  - Charcoal brick production and sales
  - Wood processing, such as furniture construction
  - Paint, printing and sign-making shops
  - Production of products from plants and animals, e.g., seashells, turtles, coral reefs, tusks, antlers, bark, plants, seeds, coconuts (especially if rare or threatened species)

[3] See Annex B, Box 7 on how to determine the "significance" of an impact.

- Small-scale population relocation or resettlement
- Humanitarian assistance *after* initial emergency period (e.g. in response to a protracted humanitarian crisis, reconstruction and rehabilitation during the recovery phase, disaster prevention and preparedness)
- Capacity building, training, extension services related to environment, natural resources, or infrastructure (e.g., engineering, agriculture, forestry and small-scale enterprise training)
- Governance or human rights related to environment, natural resources, or infrastructure
- Health, e.g., new medical waste treatment systems or changes to current systems; immunization programs involving medical waste
- Education (unless in category C)
- Public engagement or awareness-raising (unless in Category C)

Category C – Negligible Environmental Risk or Opportunity

Definition: Initiatives involving sectors and activities with *negligible environmental risk or opportunity and no physical works or physical activities related to physical works.* Category C applies only to initiatives that focus *solely* on the specific sectors or activities listed below, and that are not related to activities identified under Categories A or B including infrastructure, environment and natural resources.

Category C initiatives may proceed without further environmental assessment.

Examples of Category C initiatives include, but are not limited to:

- Routine repair and maintenance of small-scale infrastructure, if it does not involve major rehabilitation or renovation, and as long as the original design, location and use is not causing negative environmental effects:
  - school, medical clinic or other building
  - road, bridge or other infrastructure
  - irrigation, water and sanitation projects
  - small scale hydro-electric dams, mini-hydels
  - livestock/animal husbandry facilities such as barns, animal pens or any other permanent physical works
- Governance and civil society strengthening (e.g., community mobilization, capacity-building, policy development, public sector reform, information management)
- Human rights, gender equity and child protection programs
- Public engagement and professional learning (e.g., public awareness and education activities, conferences, meetings, seminars, temporary exhibitions)
- Human resource development, including AKFC Internship Programs[4]
- Technical assistance programs, including Canadian Exchange program or CADEX
- Medical professional training, health management information systems, pharmaceutical policy development and management
- Immunization programs
- Reproductive health, child survival, nutrition education, community health and family planning programs
- HIV/AIDS prevention and treatment programs
- Agricultural extension, training, technical advice or other capacity building, unless related to environment and natural resources

[4] International Development Management (IDM), International Microfinance and Micro enterprise (IMM), International Development Scholarship (IDS)

- Educational systems strengthening, research and training
- Early childhood education, literacy, teacher training programs
- Business development activities, e.g., training, technical assistance and training for marketing, management, bookkeeping, basic employment skills (literacy, numeracy, financial literacy, business communication skills), unless related to infrastructure, environment and natural resources sectors

Category D – Emergency

Definition: Initiatives carried out in response to an emergency, according to CEAA 2012, where "carrying out the initiative without delay is in the interest of preventing damage to property or the environment, or is in the interest of public health and safety."[5]

This applies to *short-term initiatives carried out during and in the immediate aftermath of a disaster*. Initiatives undertaken after the initial emergency period are not considered Category D and therefore do require environmental assessment – the latter include initiatives in response to a protracted humanitarian crisis, reconstruction and rehabilitation during the recovery phase, or disaster prevention and preparedness.

Category D initiatives may proceed without further environmental assessment, although international best practices are recommended (e.g. Rapid Environmental Assessment, Sphere Minimum Standards for Humanitarian Response.)

Examples of Category D initiatives include, but are not limited, to humanitarian assistance in *immediate* response to:

- A rapid onset emergency such as a natural disaster, e.g., catastrophic earthquake, tsunami, hurricane, flooding
- An emergency conflict situation
- The sudden deterioration of a complex emergency

[5] The determination of "short-term" will depend on the situation, but generally refers to the period of time for any project component or activity which is carried out in response to a disaster, for example, from several months to a year or more.

Tool #2. Strategic Environmental Assessment (SEA)

Strategic Environmental Assessment: Overview

Annex B. "Overview of Environmental Assessment" (EA) provides a general explanation of EA terminology and methods. This section provides guidance on the use of Strategic Environmental Assessment (SEA), a specific type of EA used to assess AKFC-supported projects as a whole, when needed.[6]

What is Strategic Environmental assessment (SEA)?	An SEA is a comprehensive, high-level environmental assessment used to analyse the environmental implications of a major proposed initiative. AKFC will use SEA as an analytical tool to integrate environmental sustainability into project design and implementation. An SEA will generally be conducted for a proposed project that is long-term and broad in scope (e.g., 3-5 years); involves multiple components, sectors, regions and/or countries; and has potentially significant[7] environmental risk and/or opportunities, as determined by the AKFC Environmental Integration Screening Tool. (Annex A. Tool #1.)
How does an SEA compare with a Site-Specific EA?	• SEA is used in the project planning stages to identify significant issues that can be addressed before specific components and activities are fully designed. • SEA uses similar methods to an EA, but takes a broad, comprehensive view of the initiative as a whole, rather than looking at specific activities, for which Site-specific EA (Annex A. Tool #3) is a better tool. • For GAC-funded projects, the SEA Report helps to demonstrate that AKFC has the organizational capacity to meet GAC's environmental requirements, as specified in Contribution Agreements.
What is the purpose of an SEA?	AKFC will use SEA as a tool to help implement commitments set out in the AKFC *Policy for Environmental Sustainability*, including: • ensuring that all AKFC initiatives are environmental sustainable; and • meeting Government of Canada, GAC and host country environmental legal, regulatory and policy requirements. The SEA Report will: • identify possible environmental impacts – both negative and positive – of the project as a whole, and for each component; • outline how potentially significant negative impacts will be mitigated and how environmental opportunities will be enhanced ("environmental value-added"); • outline strategies to manage cumulative environmental effects (if any);[8] and • identify project components and activities that may require a site-specific EA (Tool #3) or Class EA (Tool #4) when they are further defined, at a later stage in the project.

[6] This SEA overview and template is based on the GAC *Handbook for the Strategic Environmental Assessment of Policy, Plan, and Program Proposal*s http://www.international.gc.ca/development-developpement/priorities-priorites/enviro/seapppp-eespppp.aspx?lang=eng; *Environmental Handbook for Community Development Initiatives* http://international.gc.ca/world-monde/funding-financement/environment_handbook-manuel_environnement.aspx?lang=eng and past GAC Environment Specialist guidance.

[7] See Annex B, Box 7 on how to determine the "significance" of an impact.

[8] Cumulative impacts (or effects) are changes to the environment caused by the combined impacts of several project activities. While the impacts of a single activity may not be seen as significant, when added to the impacts of other project activities and/or to the impacts of other projects in the area, they may be more serious, and require further analysis and management.

What is an Environmental Management Strategy (EMS)?	The SEA Report will include a recommended Environmental Management Strategy (EMS), which will be refined during preparation of the Project Implementation Plan (PIP) for GAC-funded projects. The final EMS will be annexed to the PIP and used over the life of the project. It will summarize planned environmental management activities, including mitigation and enhancement measures, EAs and Class EAs to be done (if any), and follow-up and monitoring measures.
When is the SEA done?	The SEA Report will be prepared early in the planning process, so that the project can be designed in a way that minimizes negative impacts and enhances environmental benefits. For DFTAD-funded projects, it will be done as part of preparing the PIP.
Who will decide if an SEA will be done?	AKFC will conduct an initial screening of each proposed initiative when preparing the funding proposal, using the Environmental Integration Screening Tool (Annex A. Tool #1.) For GAC proposals, this screening must be done in order to complete the GAC Application Form, Section 5.0 Environmental Analysis. After the project is approved, AKFC will conduct an SEA during preparation of the Project Implementation Plan (PIP), so that the results can be integrated into the PIP. An SEA will be done for all AKFC projects, unless the EI Screening Tool indicates that there are no components or activities that fall into Category A – "potentially high environmental risk" or Category B – "potentially low or moderate risk and/or opportunity." The final decision to conduct an SEA will be made by the responsible AKFC Program Officer, in consultation with the AKFC Environmental Focal Point. For GAC-funded projects, the responsible GAC Program Officer, in consultation with a GAC Environment Specialist, may require that AKFC conduct an SEA.
How long is an SEA, and how much analysis is needed?	"Scoping" will be used to determine the level of effort and depth of analysis for a particular SEA, as well as the length of the SEA document. The results of scoping will be used to formulate the SEA Terms of Reference. Scoping will consider these factors: • nature of the proposed initiative, including the location, scale, sectors, components and activities involved; • the environmental (biophysical) and socio-economic (human) setting; and • number and type of components and activities with potentially significant environmental risks and/or benefits.
Who prepares an SEA?	The EI Screening Tool will help guide who should do the SEA and how detailed it should be, based on the type of environmental risks and opportunities associated with various components of the proposed project. The AKFC and the NPO may be able to conduct an SEA for smaller projects and those involving activities posing moderate, low or no potential environmental risks or opportunities (EI Screening Tool categories B. and C.) External expertise will likely be required to assess medium to large scale initiatives and/or those with activities posing high potential environmental risk (EI Screening Tool – Category A.)

STRATEGIC ENVIRONMENTAL ASSESSMENT: SUGGESTED TEMPLATE

AKFC will use or adapt the following template when preparing an SEA internally or developing a Terms of Reference for a consultant on a specific initiative.

The SEA Report should maintain a "strategic" focus, by *highlighting key, significant environmental implications of the proposed project*, and minimizing general background and descriptive text. (Box 4 presents one option for providing this focus.) The SEA Report should also include a proposed Environmental Management Strategy (EMS) for the project that will be considered when preparing the final Project Implementation Plan (PIP.)

Most SEA Reports will be 5 – 30 pages, with an executive summary of 2-3 pages for longer reports. A summary of the SEA (10 pages maximum) and the final EMS will be annexed to the PIP.

BOX 4. SEA OPTION – FOCUS ON VALUED ECOSYSTEM COMPONENTS

Valued Ecosystem Components" (VECs) are elements of the project setting that have particular ecological, social, cultural or economic importance. They are determined based on baseline data and information, scientific evidence, local knowledge and values, and expert opinion. Examples include drinking water quality, soil fertility, forest cover and culturally valuable animal species.

An SEA or EA analyst may decide to concentrate on the key VECs that are most likely to affect or be affected by the project. The choice of VECs is based on a preliminary review of baseline information and consultation with experts, stakeholders and the public. These VECs then become the focus of the SEA analysis (i.e., sections 6 and 7 of the suggested template.)

Title Page

Executive Summary

1. Introduction

1.1 SEA Goals and Objectives

1.2 SEA Methods (including stakeholder/public consultation)

2. Project Description

2.1 Project Goals, Objectives and Location

2.2 Main Project Components and Activities (highlighting those with potential negative or positive environmental impacts)

3. Environmental Regulatory and Policy Context

3.1 Canadian Institutional Setting

Describe how the project will comply with applicable Canadian, GAC and AKFC legal, regulatory and policy requirements, which may include:

- Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals (SEA)
- Canadian Environmental Assessment Act (CEAA), 2012
- GAC Policy for Environmental Sustainability, 1999
- AKFC Policy for Environmental Sustainability 2015 (PES), including annexes, including:
  - AKFC Environmental Integration Screening Tool (PES Annex A. Tool #1): (Attach the completed EI Screening Matrix to the SEA, showing the classification of each project component or activity as Category A, B, C or D. Provide a summary description in the text.)

3.2 Partner Country Institutional Setting

Describe how the project will comply with applicable partner country/ies' environmental legal, regulatory and policy requirements, which may include:

- National, regional (state or province) environmental and sustainability laws, regulations, policies and plans *that apply to the project*, and government agencies responsible, with contact information;

- National commitments and plans related to key Multilateral Environmental Agreements, e.g., Convention on Biological Diversity (CBD,) UN Framework Convention of Climate Change (UNFCC,) Convention to Combat Desertification (also covers land degradation), *if relevant to the project*; and
- If relevant, a table showing NGO, CSO, academics, researchers and private sector actors that could provide information or advice to AKFC and the NPO on managing environmental impacts and benefits during project implementation, and the type of advice they could offer.

4. Environmental Management Capacity of AKFC and NPO(s)

Analyse AKFC and NPO organizational capacity to ensure that the project is environmentally sustainable, including strengths and areas for improvement, if any. "Capacity" includes policies, processes and resources to assess, monitor and manage environmental impacts as part of project design, implementation, monitoring and evaluation. For AKFC, this includes:

- AKFC Policy for Environmental Sustainability (PES) 2015;
- environmental integration process and assessment tools (PES Annex A);
- organizational and accountability structures for environmental sustainability;
- human and financial resources to support the above; and
- capacity and experience in integrating environmental sustainability into initiatives, including access to relevant internal and external expertise.

5. Geographic and Environmental Context

Note: This section provides the baseline for the assessment in Sections 6 and 7. The information might also be useful when factoring environmental factors into project design, implementation, monitoring and evaluation. It can also be used in future Site-specific Environmental Assessments (EAs) and Class EAs of specific project components and activities, if required.

Summarize the baseline environmental conditions in the countries, regions and communities involved, *focusing on topics of most relevance to the project*, which might include:

- brief overview of biophysical and human setting (see Tool #2, EA Form for possible topics);
- environmental issues, priorities, risks, trends and stressors, i.e., human and natural drivers of change (possible references: national reports provided for as part of Multilateral Environmental Agreements – such as UN conventions on climate change, biodiversity, and desertification/land degradation);
- natural resource management issues, priorities, risks, trends and stressors;
- climate change issues, priorities, risks, trends and stressors, in relation to mitigation, adaptation and resilience (possible references: National Reports to the UNFCC (also called "National Communications") http://unfccc.int/national_reports/non-annex_i_natcom/items/2716.php and National Adaptation Programmes of Action http://unfccc.int/national_reports/napa/items/2719.php); and
- key social-ecological linkages, e.g., livelihood activities based on ecological goods and services, natural resource use and management, agro-ecosystems, and community water supply.

6. Valued Ecosystem Components (VECs) (optional, See Box 4)

7. Assessment of each Project Component

For each major project component, identify:

- potential negative (adverse) environmental impacts, their significance,[9] and proposed mitigation measures to address significant impacts;
- opportunities for environmental benefits and "value-added" (if any) from the project, and proposed

[9] See Annex B, Overview of Environmental Assessment

enhancement measures to produce these benefits; and
- possible impacts of the environment and climate change (negative and positive) on the project, their significance, and how they will be monitored and managed; include mitigation, adaptation and resilience measures, if relevant; and
- project components or activities that may require a Site-specific EA or Class EA, once they are more clearly defined, based on the category of potential environmental risks and/or opportunities, as determined by the EI Screening Tool.

8. Assessment of the Project as a Whole

For the project as a whole, identify:

- possible cumulative effects,[10] their significance, and how they will be mitigated, monitored and managed, if needed;
- opportunities to enhance environmental benefits (from the project as a whole), and proposed enhancement measures; and
- key stakeholder/public concerns and how they will be addressed; and
- linkages between environmental sustainability, gender equality and governance, if any.

9. Conclusions

9.1 General Conclusions

9.2 Recommended Project Design Changes/Refinements, based on the SEA Findings

10. Environmental Management Strategy (EMS)

Outline an Environmental Management Strategy (EMS) for the project, based on the SEA findings, that summarizes how potential negative and positive impacts will be mitigated or enhanced, managed and monitored. The recommendations in the EMS will be considered during preparation of the Project Implementation Plan. A final EMS will be attached to the PIP and be integrated into routine project planning, implementation and reporting. (Integration might involve including environmental outcomes, outputs and indicators in the Log Frame and Performance Management Frameworks, if appropriate.)

Possible elements of the EMS include:

- summary of planned environmental mitigation and enhancement measures, by component;
- strategies for managing cumulative environmental effects of the initiative, *if needed*;
- responsibilities, schedule and budget for implementing mitigation and enhancement measures;
- list of specific project components/activities that require an EA or Class EA, and suggested timing;
- measures to enhance AKFC and NPO capacity to manage environmental aspects of the project, *if needed*;
- planned follow-up and monitoring activities to identify:
  a) the effectiveness of mitigation and enhancement measures,
  b) which environmental impacts actually occur over time,
  c) new opportunities for environmental benefits that may arise, and
  d) how monitoring results will be used to adapt and refine project implementation.

[10] Cumulative impacts (or effects) are changes to the environment caused by the combined impacts of several project activities. While the impacts of a single activity may not be seen as significant, when added to the impacts of other project activities and/or to the impacts of other projects in the area, they may be more serious, and require further analysis and management.

SEA: SUGGESTED ANNEXES & METHODS

A. SEA Terms of Reference and Timetable
B. References/Bibliography
C. List of interviewees and stakeholders/public consulted
D. Research tools, e.g., interview questions, meeting agendas, stakeholder/public consultation meeting agendas and reports (see Box 5)
E. Supporting information (maps, diagrams, additional technical information)
F. Consultant profile (1/2 page maximum)

BOX 5. POSSIBLE SEA METHODS

AKFC and its consultants can consider using the following possible methods when preparing an SEA:

- Desk review of key documents: project proposals and planning materials; previous AKFC SEAs, EAs and Class EAs, if relevant; AKFC *Policy for Environmental Sustainability* and Annexes; AKF and NPO documentation re: management structures and processes
- Literature review/web search
- Field visits to key project sites, and field testing, if needed, e.g., water, air or soil sampling
- Partner/stakeholder/public consultation: AKFC staff, NPO staff, beneficiaries, affected communities, and other stakeholders
- Expert consultation: meetings, interviews, surveys and/or focus groups with experts in partner country and Canadian government, academic and research organizations, and relevant NGOs and CSOs

Tool #3. Environmental Assessment Form (Site-specific Environmental Assessment)

Annex B. "Overview of Environmental Assessment" (EA) provides a general explanation of EA terminology and methods. The following EA Form provides a template for a Site-specific Environmental Assessment for a proposed initiative (project, component or activity.) The form will usually be completed by the NPO, but can also be used to guide a consultant who is asked to prepare a detailed EA Report. Completed EA Forms and EA Reports should be kept on file at the NPO office in hard and soft versions. Scanned copies should be submitted to AKFC in each reporting cycle.

In EA, "one size does not fit all"; rather "scoping" will be used to ensure that the level of detail and depth of analysis is appropriate to size and nature of the proposed initiative and its potential impacts. The EA Form should include only brief background information (Sections 1 and 2,) and focus primarily on analysing the key, significant environmental implications of the initiative (Sections 3, 4 and 5.) A suggested length for the EA Form is 2-10 pages, depending on the nature of the initiative, environmental setting and significance of potential environmental risks and benefits. (See Annex A. Box 4. "Valued Ecosystem Components," and Box 6. "Determining Impact Significance" for guidance.)

1. Briefly describe the proposed project component being assessed, outlining key activities that could affect, or be affected by the environment.

Title of project (e.g., PADHAA, ACRP)
Title of project component being assessed:
Outcome and output number in project Log Frame:
Location of component:
Category of component (A, B, C or D), as determined by the AKFC Environmental Screening Tool (Tool #1)
Time frame for component:
Objectives of component (highlight environmental objectives, if any):
Key activities being carried out as part of this component: *Will any physical structures be constructed (e.g., a building or other infrastructure in a fixed location)?* *___ YES ___ NO* *If so, what?*
Note: Maps, drawings and photos can be included.

2. Briefly describe the environmental and socio-economic setting for the component/activities.

Focus on the biophysical and human, i.e., socio-economic, features *that are most likely to be affected* by this component, *or affect* the component. For example, for a water supply activity, you might describe hydrology, soils and water use, but not air quality and biodiversity, if these likely won't be affected. *Maps, drawings and photos can be included.*

a. Biophysical environment (***focus on elements likely to be affected***):

- Type(s) of environment/ecosystem, e.g. coastal lowland, savanna, steppe, sub-alpine:
- Key landscape features, e.g. lakes, rivers, valleys, mountains:
- Topography, soils, hydrology (e.g., watershed, surface water, groundwater):
- Climate and air quality:
- Key natural resources, e.g. forests, game, food plants, minerals:

- Biodiversity, including flora and fauna, especially if endangered or threatened:
- Sites or features that are ecologically fragile, sensitive and/or important, e.g. steep slopes, tropical forest, mangrove forests, parks:

b. Human environment (*focus on elements likely to be affected*):

- Human settlement, e.g., villages, roads, utilities:
- Resource and land use, e.g., forestry, grazing:
- Economic/livelihood activities, e.g., subsistence farming, fishing:
- Quality of life, e.g., population density; water supply, sanitary conditions:
- Important cultural, historical or spiritual features:
- Sites or features that are fragile, sensitive or important for socio-economic, spiritual, historical, cultural or archaeological reasons:

3. Analyse possible environmental impacts from the component/activity and assess their significance.

For technical guidance by sector/type of activity, see Annex C. AKFC Environmental Guidelines and the USAID Global Environmental Management Support (GEMS) program "Sectoral Environmental Best Practices" at www.usaidgems.org/bestPractice.htm

Include the following topics, *if relevant*:

- possible negative impacts on biophysical and human environments;
- opportunities for environmental benefits/enhancement;
- possible impacts of the environment on the component/activity (e.g., climate change, natural disasters);
- contribution of this component/activity to possible cumulative (combined) effects other activities within the project, or from other projects in the region;
- possible risks from an accident or malfunction; and
- the significance of the potential impacts and benefits (See Annex A, Box 6 on determining "significance".)

4. Outline mitigation and enhancement measures to address any significant impacts, including: *(See suggestions in the technical guidelines listed above.)*

a. mitigation measures to address significant negative environmental effects
b. enhancement measures to promote environmental benefits
c. mitigation, adaptation and resilience strategies to address possible environmental and climate change impacts on the initiative

5. Describe any host country legal requirements related to environment or natural resources that apply to the project and how they will be met.

Government Department	Law, Regulation, Policy, Plan or Permit that applies to this component/activity	How requirements will be met

6. Check (√) any environmental assessment methods used while preparing this EA Form.

___ Site visit
___ Maps
___ Technical reports
___ Previous Environmental Assessments
___ Project team meeting(s)
___ *AKFC Environmental Guidelines*
___ USAID GEMS Sectoral Best Practices www.usaidgems.org/bestPractice.htm
___ Lab analysis
___ Professional judgment
___ Consultation with specialists: who?
___ Other methods: list here -

7. Check (√) any public consultation methods used while preparing this EA Form:

___ Village meeting(s): if so, how many and where? _____
___ Interviews with community members. who? _____
___ Consultation with Village Committees: who? _____
___ Other community consultation: list here _____

List any key public concerns that were raised and describe how they will be addressed:

Key public concerns	How these concerns will be addressed

8. Conclusions and Recommendations

- Briefly summarize key findings, highlighting potentially *significant* negative and positive environmental impacts, and recommend how they should be mitigated or enhanced.

9. EA Preparation and Approval

EA Form prepared by:	
Name:	**Position/Title:**
Date:	**Location:**
EA Form approved by: *I have reviewed and approved this EA Form. I will ensure that the recommended mitigation and enhancement measures will be implemented, monitored and responded to, as needed.*	
Name (signature, if possible):	**Position/Title:**
Date:	**Location:**

EA Form: Annex 1. Follow-up and Monitoring Checklist

Environmental follow-up and monitoring will be integrated into regular project monitoring and evaluation.

AKFC and NPO officers can use the following Follow-up and Monitoring Checklist to conduct follow-up and monitoring of environmental mitigation and enhancement measures for selected project components. They may wish to include a sample of completed checklists in semi-annual or annual reports for the project.

AKFC ENVIRONMENTAL ASSESSMENT: FOLLOW-UP AND MONITORING CHECKLIST			
Title of project (e.g., PADHAA, ACRP):			
Title of Project Component or Activity:	**Outcome and output number in project Log Frame:**		
Completed by (name & position):	**Date:**		
1. Mitigation Measures			
	Yes	**No**	**In Progress**
a. Have planned mitigation measures been implemented?			
b. If mitigation measures were implemented, were they effective?			
Comments, if any:			
2. Environmental Enhancement (i.e., environmental benefits)			
	Yes	**No**	**In Progress**
a. Have planned environmental enhancement measures been implemented?			
b. If enhancement measures were implemented, were they effective?			
Comments, if any:			
3. Unanticipated Effects			
	Yes	**No**	**In Progress**
a. Have there been any negative or positive impacts from this project component hat weren't identified in the EA?			
b. If yes, were they effectively addressed?			
Comments, if any:			
4. Changes to the Project or to the Environmental Setting since the EA			
	Yes	**No**	**In Progress**
a. Have there been any changes to the *component design* since the EA was done that could have negative or positive environmental impacts?			
b. Have there been any changes in the *environmental setting* since the EA was done that could have negative or positive impacts on the component?			
Comments, if any (e.g., what should be done to mitigate or enhance these impacts? Is further environmental assessment needed?)			
5. Recommendations			
a. List recommended actions to address the above topics, if any:			
b. List lessons learned from this project that could be applied to future AKFC projects, if any:			

Tool #4. Class Environmental Assessment (Class EA)

The decision to conduct a Class EA for activities within an AKFC-supported project will be determined on a case-by-case basis by AKFC, in consultation with the NPO.

Annex B. "Overview of Environmental Assessment" (EA) provides a general explanation of EA terminology and methods. The following EA Form provides a template for a Class Environmental Assessment for a proposed initiative (project, component or activity.) The form will usually be completed by the NPO. Completed EA Forms and EA Reports should be kept on file at the NPO office in hard and soft versions. Scanned copies should be submitted to AKFC in each reporting cycle.

In EA, "one size does not fit all"; rather "scoping" will be used to ensure that the level of detail and depth of analysis is appropriate to the size and nature of the proposed initiative and its potential impacts. The EA Form should include brief background information (Sections 1 and 2,) and focus primarily on analysing the key, significant environmental implications of the initiative (Sections 3, 4 and 5.)

For a Class EA, Section 1 should also describe:

- The proposed class of activities
- Rationale for using a Class EA
- Similarities and differences among the proposed activities included in the Class EA

In Sections 2, 3 and 4 of the Class EA Form, identify:

- Environmental setting: similarities and differences in the biophysical and human environment across the area, such as key environmental and cultural features, issues and sensitivities in specific locations
- Expected type, range and significance of potential environmental impacts that could result from activities in the class; this can be based on existing information on the typical types of negative and positive impacts associated with these activities
- General mitigation and enhancement measures to be applied to this group of activities
- Any additional measures that will be taken to address key features, issues and sensitivities in specific locations
- Guidelines and best practices that will be used to manage negative environmental impacts and enhance benefits; these might include technical guidelines for siting, designing, building and maintaining these activities

A suggested length for the Class EA Form is 4-10 pages, depending on the nature of the initiative, environmental setting and significance of potential environmental risks and benefits. (See Annex A. Box 4. "Valued Ecosystem Components" and Box 6. "Determining Impact Significance" for guidance.)

1. Briefly describe the proposed project component being assessed, outlining key activities that could affect, or be affected by the environment.

Title of project (e.g., PADHAA, ACRP)
Title of project component being assessed:
Outcome and output number in project Log Frame:
Location of component:
Category of component (A, B, C or D), as determined by the AKFC Environmental Screening Tool (Tool #1)

Time frame for component:
Objectives of component (highlight environmental objectives, if any):
Key activities being carried out as part of this component (describe here the class of activities):
Rationale for using a Class EA / Similarities and Differences among the proposed activities included in the Class EA
Will any physical structures be constructed (e.g., a building or other infrastructure in a fixed location)? *___ YES ___ NO* *If so, what?*
Note: Maps, drawings and photos can be included.

2. Briefly describe the environmental and socio-economic setting for the component/activities.

Focus on the biophysical and human, i.e., socio-economic, features *that are most likely to be affected* by this component, *or affect* the component. For example, for a water supply activity, you might describe hydrology, soils and water use, but not air quality and biodiversity, if these likely won't be affected. *Maps, drawings and photos can be included.*

a. Biophysical environment (***focus on elements likely to be affected***):

- Type(s) of environment/ecosystem, e.g. coastal lowland, savanna, steppe, sub-alpine:
- Key landscape features, e.g. lakes, rivers, valleys, mountains:
- Topography, soils, hydrology (e.g., watershed, surface water, groundwater):
- Climate and air quality:
- Key natural resources, e.g. forests, game, food plants, minerals:
- Biodiversity, including flora and fauna, especially if endangered or threatened:
- Sites or features that are ecologically fragile, sensitive and/or important, e.g. steep slopes, tropical forest, mangrove forests, parks:

b. Human environment (*focus on elements likely to be affected*):

- Human settlement, e.g., villages, roads, utilities:
- Resource and land use, e.g., forestry, grazing:
- Economic/livelihood activities, e.g., subsistence farming, fishing:
- Quality of life, e.g., population density; water supply, sanitary conditions:
- Important cultural, historical or spiritual features:
- Sites or features that are fragile, sensitive or important for socio-economic, spiritual, historical, cultural or archaeological reasons:

3. Analyse possible environmental impacts from the component/activity and assess their significance.

For technical guidance by sector/type of activity, see Annex C. AKFC Environmental Guidelines and the USAID Global Environmental Management Support (GEMS) program "Sectoral Environmental Best Practices" at www.usaidgems.org/bestPractice.htm

Include the following topics, *if relevant*:

- possible negative impacts on biophysical and human environments;
- opportunities for environmental benefits/enhancement;
- possible impacts of the environment on the component/activity (e.g., climate change, natural disasters);
- contribution of this component/activity to possible cumulative (combined) effects other activities within the project, or from other projects in the region;
- possible risks from an accident or malfunction; and
- the significance of the potential impacts and benefits (See Annex A, Box 6 on determining "significance".)

4. Outline mitigation and enhancement measures to address any significant impacts, including: *(See suggestions in the technical guidelines listed above.)*

a. mitigation measures to address significant negative environmental effects
b. enhancement measures to promote environmental benefits
c. mitigation, adaptation and resilience strategies to address possible environmental and climate change impacts on the initiative

5. Describe any host country legal requirements related to environment or natural resources that apply to the project and how they will be met.

Government Department	Law, Regulation, Policy, Plan or Permit that applies to this component/activity	How requirements will be met

6. Check (√) any environmental assessment methods used while preparing this EA Form.

___ Site visit
___ Maps
___ Technical reports
___ Previous Environmental Assessments
___ Project team meeting(s)
___ *AKFC Environmental Guidelines*
___ USAID GEMS Sectoral Best Practices www.usaidgems.org/bestPractice.htm
___ Lab analysis
___ Professional judgment
___ Consultation with specialists: who?
___ Other methods: list here -

7. Check (√) any public consultation methods used while preparing this EA Form:

___ Village meeting(s): if so, how many and where? _____
___ Interviews with community members. who? _____
___ Consultation with Village Committees: who? _____
___ Other community consultation: list here _____

List any key public concerns that were raised and describe how they will be addressed:

Key public concerns	How these concerns will be addressed

8. Conclusions and Recommendations

- Briefly summarize key findings, highlighting potentially *significant* negative and positive environmental impacts, and recommend how they should be mitigated or enhanced.

9. EA Preparation and Approval

EA Form prepared by:

Name:	**Position/Title:**
Date:	**Location:**

EA Form approved by:

I have reviewed and approved this EA Form. I will ensure that the recommended mitigation and enhancement measures will be implemented, monitored and responded to, as needed.

Name (signature, if possible):	**Position/Title:**
Date:	**Location:**

EA Form: Annex 1. Follow-up and Monitoring Checklist

Environmental follow-up and monitoring will be integrated into regular project monitoring and evaluation.

AKFC and NPO officers can use the following Follow-up and Monitoring Checklist to conduct follow-up and monitoring of environmental mitigation and enhancement measures for selected project components. They may wish to include a sample of completed checklists in semi-annual or annual reports for the project.

AKFC ENVIRONMENTAL ASSESSMENT: FOLLOW-UP AND MONITORING CHECKLIST				
Title of project (e.g., PADHAA, ACRP):				
Title of Project Component or Activity:	**Outcome and output number in project Log Frame:**			
Completed by (name & position):	**Date:**			
1. Mitigation Measures				
		Yes	**No**	**In Progress**
a. Have planned mitigation measures been implemented?				
b. If mitigation measures were implemented, were they effective?				
Comments, if any:				
2. Environmental Enhancement (i.e., environmental benefits)				
		Yes	**No**	**In Progress**
a. Have planned environmental enhancement measures been implemented?				
b. If enhancement measures were implemented, were they effective?				
Comments, if any:				
3. Unanticipated Effects				
		Yes	**No**	**In Progress**
a. Have there been any negative or positive impacts from this project component that weren't identified in the Class EA?				
b. If yes, were they effectively addressed?				
Comments, if any:				
4. Changes to the Project or Environmental Setting				
		Yes	**No**	**In Progress**
a. Have there been any changes to the *component design* since the Class EA was done that could have negative or positive environmental impacts?				
b. Have there been any changes in the *environmental setting* since the Class EA was done that could have negative or positive impacts on the component?				
Comments, if any (e.g., what should be done to mitigate or enhance these impacts? Is further environmental assessment needed?)				
5. Recommendations				
a. List recommended actions to address the above topics, if any:				
b. List lessons learned from this project that could be applied to future AKFC projects, if any:				

ANNEX B. OVERVIEW OF ENVIRONMENTAL ASSESSMENT

This section provides an overview of environmental assessment, and applies to AKFC's three EA tools: Strategic Environmental Assessment (SEA), Site-specific Environmental Assessment (EA) and Class Environmental Assessment (Class EA), as described in Annex A.

Environmental assessment (EA)	Environmental assessment is a systematic review of a proposed initiative (at the program, project, component or activity level) to identify: • Possibly significant negative environmental impacts and measures to mitigate them, i.e., avoid or reduce them through design changes or management measures; • Possible opportunities to enhance environmental benefits (positive impacts); • Possible impacts of the environment on the project and how to address them; and • A follow-up and monitoring plan or checklist to verify the accuracy of the environmental assessment; measure actual impacts; monitor whether mitigation and enhancement measures were implemented; assess their effectiveness; and respond, as needed.
What is scoping?	In EA, "one size does not fit all"; rather *scoping* (i.e., identifying the scope of analysis) is done to determine the level of detail and depth of analysis appropriate for each environmental assessment (SEA, EA or Class EAs.) Scoping considers the seriousness of potential risks and opportunities posed by a proposed initiative. Scoping can also be used to help decide if the EA will be done internally or if external expertise is needed.
What is mitigation and enhancement?	Mitigation includes any measure to avoid, control or minimize the negative impact of a project or activity. Enhancement is any measure taken to promote environmental benefits (positive impacts) from a project or activity. Mitigation and enhancement are done through changes to project siting, design, scheduling, technology, construction, management, operations and/or field practices. Box 5 provides examples of mitigation and enhancement measures.
Who prepares the EA?	The decision on who will prepare the EA depends on the scale, scope and possible environmental impacts and benefits associated with a proposed initiative. Generally, the EA is prepared by someone who understands the project/activity, environmental setting, and types of environmental impacts and benefits usually associated with this type of project/activity. For simple, small-scale projects, this might be NPO staff, working with local partners. For a project with significant potential environmental risks and benefits, external expertise might be needed.
Core principles of all environmental assessment	• *Self-assessment:* Those who propose an initiative are expected to assess its potential environmental impacts and benefits, and to take action to address them. • *Efficient and cost effective:* The scope and level of detail of the EA should be tailored to the scale and type of project, and the significance of possible environmental impacts. • *Environmental screening* is done early in project planning, before key decisions are made about project design, to determine if an EA is needed and if so, what type and depth of assessment is appropriate, given the possible environmental risks and opportunities. Early screening allows for changes to the project design to help avoid negative impacts and enhance positive ones. • *Broad definition of "environmental impact":* EA considers possible negative and positive impacts of the project on the biophysical environment, including water, air, land, vegetation, fish, wildlife and other natural resources, and on the human environment, including community health, livelihoods and culture. • *Community-focused, open, participatory process:* EA considers the needs and priorities of affected communities, and may include community consultation.

How long is an EA, and what is done to determine if it is acceptable?	An EA should be concise, with a focus on *significant* environmental issues. See Box 6 "Determining Impact Significance" for guidance. For most project activities, an EA Form completed by an NPO will be 2-10 pages. For projects with greater environmental risks and/or opportunities, a consultant may be required to prepare a detailed site-specific EA Report, including an Environmental Management Plan. Box 7 presents criteria for assessing the acceptability and quality of a completed environmental assessment.
Who is responsible for mitigation and enhancement?	Whoever is responsible for project implementation is also responsible for managing environmental impacts, and ensuring that mitigation and enhancement measures are implemented. For example, the NPO and local partners may be responsible during construction of a water supply system, while local partners may take over during operations and maintenance, working with the local government. Beneficiaries may also be involved, e.g., farm labourers may be trained in Integrated Pest Management.
What is follow-up and monitoring?	Follow-up and monitoring is done to *measure* which environmental impacts actually happen during implementation of a specific project component or activity, and *monitor* the effectiveness of mitigation and enhancement measures. The results allow project managers to change or refine the implementation plan to respond to emerging issues and opportunities. AKFC will use two tools for this purpose: • Appendix 1 of the EA Form, which is a Follow-up and Monitoring Checklist used to monitor implementation of recommendations in the EA Form; and • Environmental Management Plan will be used to monitor implementation of recommendations in an Environmental Report.
What is an Environmental Management Strategy?	For AKFC, an Environmental Management Strategy (EMS) will be developed as part of a Strategic Environmental Assessment for an entire initiative (program/project.) The EMS will be included in the Project Implementation Plan and used to manage, monitor and respond to environmental impacts and benefits.
What is an Environmental Management Plan?	For AKFC, an Environmental Management Plan (EMP) will be developed as part of Site-specific Environmental Assessment Reports done for specific project components or activities. The EMP will be used to manage, monitor and respond to environmental impacts and benefits.

Box 5. Examples of Environmental Impacts and Mitigation Measures

Examples of negative effects of project activities on natural and human environments:

- Soil erosion and slope instability caused by deforestation of hillsides
- Polluted drinking water from agricultural chemicals or badly located sanitation facilities
- Hardship for women who must gather household firewood if traditional community forest resources are depleted
- Respiratory problems among workers due to inadequate ventilation or inappropriate building materials or processes used in the workplace

Examples of positive environmental impacts (benefits) of project activities on natural and human environments:

- Increased forest resource availability due to sustainable forest management techniques
- Increased soil fertility due to improved soil conservation measures
- Cleaner and more abundant drinking water from improved water supply and sanitation
- Increased livelihoods and incomes from regenerated natural resources
- Reduced disease incidence due to improved sanitation and/or solid waste management

Examples of how the environment could impact (affect) a project:

- Flood damage to crops, infrastructure and settlements
- Damage to settlements and infrastructure from soil instability, landslides and/or erosion
- Impacts of water level fluctuations on agriculture or domestic water sources
- Impacts of climate change and desertification on soil moisture and fertility for agriculture
- Damage to settlements and livelihoods from earthquakes, floods, hurricanes and other natural disasters, sometimes made more frequent or damaging by climate change
- Crop damage from wildlife that is displaced by environmental change and/or human influence

Examples of measures to mitigate negative impacts and enhance positive impacts:

- Promoting forest and soil conservation practices and agroforestry
- Correct use of agricultural chemicals and/or adoption of Integrated Pest Management
- Setting aside resources for community use or involving communities in sustainable resource commercialization
- Ensuring that building design includes adequate ventilation and appropriate, possibly locally sourced, building materials
- Timing construction to avoid seasonal animal or bird migrations or fish spawning
- Avoidance of building on steep or unstable slopes or in natural hazard zones
- Water and energy conservation practices, e.g., drip irrigation, alternative energy

Source: Adapted from CIDA 2005: *Environment Handbook for Community Development Initiatives*

Box 6. Determining Impact Significance

Significance refers to the level of risk, likelihood of occurrence and the degree of seriousness associated with a potential impact. To decide how "significant" an impact might be, consider the following characteristics of that impact:

- *Type of impact* (is it positive or negative, direct or indirect, cumulative?)[11]
- *Magnitude or size* (is it severe/moderate/small, low OR large/medium/small?)
- *Location and extent* (what is the size of area or volume affected, and the distribution of the impact)
- *Duration & frequency* (is it short or long term? Is it intermittent or continuous?)
- *Timing* (will it happen during construction or operation? will it be immediate or delayed?)
- *Scale* (is it at the site, local, regional, global scale?)
- *Reversibility* (is it reversible or irreversible?)
- *Probability* (is there a high, medium or low certainty that the impact will occur?)
- *Risk* (is there a high, medium or low possibility that there will be a negative outcome from the impact?)

For example, a potential impact can be considered *significant* if it might:

- extend over a large space and/or a long time
- have an unacceptable impact on community health, food security, livelihoods or quality of life
- exceed a scientifically determined ecosystem threshold (e.g., more waste than a river can absorb)
- cause extensive, irreversible loss or degradation of an ecosystem or natural resource (e.g., water, air, forest, fish, wildlife, crop)
- raise stakeholder or public concerns at local, national, and international levels
- add to the cumulative negative effects of the project, or from other projects in the region
- exceed a national, state or local government regulation or standard (e.g., fish catch limit, water quality standard)
- affect partner country commitments to Multilateral Environmental Agreements (e.g., global or regional environmental treaties)
- affect a rare, endangered and/or sensitive species; occur during a key season, e.g., animal migration or bird nesting; or affect a sensitive ecosystem or habitat, e.g., estuary, wetland or wildlife corridor; or park/protected area
- not comply with international standards and codes of practice (e.g., ISO 14000 Environmental Management Standard, FAO Code of Conduct on Pesticides, Corporate Social Responsibility codes

[11] Cumulative impacts (or effects) are changes to the environment caused by the combined impacts of several project activities. While the impacts of a single activity may not be seen as significant, when added to the impacts of other project activities and/or the impacts of other projects in the area, they may need to be assessed and managed.

Box 7. Assessing the Acceptability of an Environmental Assessment

An NPO or AKFC officer will review the completed Environmental Assessment to decide whether it is of acceptable quality. If there are gaps or weaknesses, it may be sent back for further work. To decide if the EA is acceptable, the reviewer can ask these questions:

1. Is the EA complete, addressing all required elements?
2. Are all key project activities and environmental and socio-economic features listed?
3. Are all relevant negative and positive environmental impacts identified (i.e., environmental risks and opportunities)?
4. Is the impact analysis adequate (complete, reasonable), especially the determination of impact *significance*?
5. Do the proposed mitigation measures seem adequate (if any)?
6. Does the EA identify measures to enhance environmental benefits (if appropriate)?
7. Are the proposed follow-up and monitoring measures adequate (if any)?Were the EA methods credible?
8. Was stakeholders/the public adequately involved (if relevant)?
9. Is the EA understandable, logical and well-structured, and are the conclusions credible?

ANNEX C. AKFC & OTHER ENVIRONMENTAL GUIDELINES

The AKFC Environmental Guidelines (2005) (listed below and available separately) provide sector-specific technical information for all environmental assessments. Each guideline lists possible negative environmental impacts associated with a specific sector or type of activity, and suggested mitigation measures. The "Sectoral Environmental Best Practices" developed by USAID Global Environmental Management Support (GEMS) program also provide excellent technical guidance www.usaidgems.org/bestPractice.htm:

- Visual Field Guides www.usaidgems.org/fieldGuides.htm
- Sectoral Environmental Guidelines www.usaidgems.org/fieldGuides.htm
- Sector Bibliographies and Resources section: www.usaidgems.org/sectorBibRecources.htm

AKFC Environmental Guidelines: Table of Contents

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5. Environmental Guidelines for Building Projects Using Asbestos
6. Environmental Guidelines for Small Scale Enterprises
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17. Environmental Guidelines for aquaculture
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20. Environmental Guidelines for metal finishing, electroplating & coating operations
21. Environmental Guidelines for small-scale mining
22. Environmental Guidelines for charcoal brick production and sales
23. Environmental Guidelines for wood processing and furniture manufacturing
24. Environmental Guidelines for car repairs
25. Environmental Guidelines for glass making and ceramics
26. Environmental Guidelines for recycling/re-manufacture of computers and other electronics
27. Environmental Guidelines for recycling batteries, paper
28. Environmental Guidelines for production of secondary products through recycled plastic
29. Environmental Guidelines for brick and tile making
30. Environmental Guidelines for small-scale foundries
31. Environmental Guidelines for paint and printing shops and photo processing
32. Environmental Guidelines for food processing
33. Environmental Guidelines for textiles manufacturing and finishing
34. Environmental Guidelines for the production of handicrafts from threatened resources
35. Environmental Guidelines for piecework (e.g., looming, basket weaving, textiles, cigarettes)
36. Environmental Guidelines for small-scale motorized transportation such as auto-rickshaws
37. Environmental Guidelines for production/packaging of chemicals, pesticides and soaps
38. Environmental Guidelines for the use of pesticides

AKFC Policy on Environmental Sustainability – Flow Chart for AKFC Program Staff and Field-based Environmental Focal Points

Proposal Development	Project Review	Preparation of PIP	Inception Workshop	Implementation	Reporting	Annual Work Planning
Complete Global Affairs Application Form	Develop Contribution Agreement	Prepare detailed work plan and budget; update LM & PMF	**(Including Year 1 AWP)**			
Tools: EI Screening Tool (**R**) **Deliverables:** Application form (Section 4.0: Environment Analysis) References to environment in: sections 2, 3, 7, 8, 9, LM, PMF and budget	**Tools:** Global Affairs Environment Specialist conducts Preliminary Environment Analysis of proposal **Deliverables:** Environmental clause in CA, outlining Global Affairs requirements for further environmental assessment and reporting (if any)	**Tools:** SEA, if indicated by EI Screening Tool & decided by AKFC EFP or Global Affairs Environment Specialist (**M**) **Deliverables:** SEA Report, including EMS Environmental M&E integrated into project Work Plan, updated LM, PMF and budget	**Tools:** EI Screening Tool, applied to any newly proposed components and activities EAs and/or Class EAs, if indicated by EI Screening Tool (**M**) **Deliverables:** Updated EMS (if needed) EAs and Class EA reports included in 1st AWP	**Tools**: Implementation of EMS, with M&E (**R**) EAs and Class EAs done, if indicated in EMS (**M**) **Deliverables:** EA Form and/or EA & Class EA reports (with follow-up and monitoring checklists) Environmental M&E incorporated into performance management systems	**Tools:** Follow-up and Monitoring Checklists (Annex A of EAs and Class EAs) **Deliverables:** SAR includes update on EMS implementation AR includes completed EI Screening Tool; M&E of EMS & EMP implementation; EA and Class EA reports; and completed Follow-up & Monitoring Checklists (if done) FR discusses EMS implementation	**Tools:** EI Screening Tool, applied to newly proposed components & activities EAs or Class EAs, if indicated by EI Screening Tool (**M**) **Deliverables:** Revised EMS, based on M&E results from previous year; EI Screening of 2nd AWP; and EAs or Class EAs, if done EA & Class EA reports, if done Environmental M&E integrated into project Work Plan, updated LM, PMF and budget

LEGEND

AR	Annual Report
AWP	Annual Work Plan
CA	Contribution Agreement
EA	Environmental Assessment
EFP	Environmental Focal Point
EI	Environmental Integration
EMP	Environmental Management Plan
EMS	Environmental Management Strategy
FR	Final Report
LM	Logic Model
M	If indicated by EI screening tool or EMS
M&E	Monitoring & Evaluation
PIP	Project Implementation Plan
PMF	Performance Measurement Framework
R	Required
SAR	Semi-Annual Report
SEA	Strategic Environmental Assessment