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SRI LANKA

**United States Agency for International Development (USAID)
Sri Lanka & Maldives
Request for Categorical Exclusion (RCE)**

Program/Project/Activity Data:

Activity/Project Name:	The Supporting Accelerated Investment in Sri Lanka (SAIL) Project		
Assistance Objective:	Objective 3: More Inclusive Economic Opportunities and Growth		
Program Area:	4.6 Private Sector Competitiveness; 4.6.1 Business Enabling Environment		
Country:	Sri Lanka		
Originating Office:	Economic Growth	Date: Oct. 25, 2015	
PAD Level RCE: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	DCN of Original RCE/IEE:		
RCE/IEE Amendment: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	DCN of Amendment(s):		
Supplemental RCE: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
If Yes, Purpose of Amendment:			
DCN(s) of Related EA/IEE/RCE/ER(s):			
Implementation Start/End:	FY-FY 2016	LOP: FY-FY 2019	
Funding Amount:	\$1,000,000	LOP Amount: \$3,000,000	
Contract/Award Number (if known):			
IEE Expiration Date (if any):	Sept. 30, 2019	Reporting due dates (if any):	
Recommended Determination: Categorical Exclusion			
Additional Elements:			
Government to Government: <input type="checkbox"/> Local Procurement: <input type="checkbox"/> Donor Co-Funded: <input type="checkbox"/>			

1. Project and Activity Description

- 1) Under USAID/Sri Lanka's project to support the Sri Lankan Reform Agenda, USAID will assist in improving Sri Lanka's business enabling environment. The goal of the SAIL Project is to improve the business enabling environment for Foreign Direct Investment (FDI). The SAIL Project has two components: (1) Reform legislative and regulatory systems to address current constraints to FDI attraction and retention, and (2) Restructure the Board of Investment to function more effectively as an investment promotion agency and as a one stop shop for FDI entry into Sri Lanka. Specific activities under this project may include the following:

Defined activities under Component One— Reform Legislative and Regulatory Systems

1.1 Analyze the legislative and regulatory regime, including how laws are implemented, to identify constraints (both major and relatively minor constraints).

DCN: to be assigned by BEO

Defined activities under Component One— Reform Legislative and Regulatory Systems
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1.2 Prepare a plan for agreed-upon reforms, including sequencing and timeframes.
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1.3 Draft legislation and regulations that will eliminate or reduce constraints.
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1.4 Assist Government of Sri Lanka ministries and agencies to implement reformed legislation and regulations.

Defined activities under Component Two— Restructure Board of Investment and Establish One Stop Shops

2.1 Provide technical assistance, to include policy advice, to the Board of Investment, Office of Prime Minister, or other ministry or agency, as appropriate, to help develop a plan for restructuring all or part of the Board of Investment or to help reorient its function as an investment promotion agency or to streamline other processes affecting FDI.

2.2 Provide technical assistance on policies, laws, and processes as well as helping to develop institutional and human capacity to the Board of Investment or other ministry or agency related to Board of Investment restructuring as it affects FDI.

2.3 Assist the GSL to study various types of one stop shop arrangements in other countries to determine the policies and type of one stop shop to be established for Sri Lanka.

2.4 Help the GSL prepare a roadmap for transitioning to a one stop shop.
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2.5 Assist the GSL to implement the one stop shop.
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2.6 Provide institutional and human capacity-building for the one stop shop.
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2. Justification for Categorical Exclusion Determination

The activities under the FDI Project will not have an effect on the natural or physical environment and are among the classes of activities listed in 22 CFR 216.2(c)(2). Therefore, under §216.2(c)(1), neither an IEE nor an EA will be required for these activities. Instead, a categorical exclusion threshold determination is recommended for the two components under:

- §216.2(c)(2)(i) Education, technical assistance, or training programs except to the extent such programs include activities directly affecting the environment (such as construction of facilities, etc.); and
- §216.2(c)(2)(iii) analysis, studies, academic or research workshops and meetings.

3. Recommended Determination for Categorical Exclusion Clearances

The activities carried out under the project qualify for Categorical Exclusion per 22 CFR 216(c)(2)(i) as “education, technical assistance, or training programs except to the extent such programs include activities directly affecting the environment (such as construction)”; and per 22 CFR 216.2(c)(2)(iii) as “analyses, studies, academic or research workshops and meetings.” MEO should be engaged in developing scope of work for technical assistance to duly reflect on environmental aspects, including those of the climate change.

4. Revisions

Under §216.3(a)(9), if new information becomes available that indicates that activities covered by the categorical exclusion might be considered major and their effect significant, or if additional activities are proposed that might be considered major and their effect significant, this categorical exclusion determination will be reviewed and, if necessary, revised by the Mission Environmental Officer (MEO) with concurrence by the BEO. It is the responsibility of the USAID Contract Officer’s Representative (COR)/Agreement Officer’s Representative (AOR) to keep the MEO and BEO informed of any new information or changes in the activity that might require revision of this determination.

DCN: to be assigned by BEO

Approval:

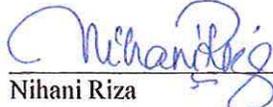


Reed Aeschliman
Mission Director (Acting)

11-3-16

Date

Clearance:

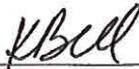


Nihani Riza
Mission Environmental Officer

10/27/15

Date

Clearance:

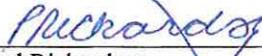


Kimberlee Bell
Director, Program Policy Support Office

10/27/2015

Date

Clearance:



Paul Richardson
Director, Economic Growth Office

10/27/2015

Date

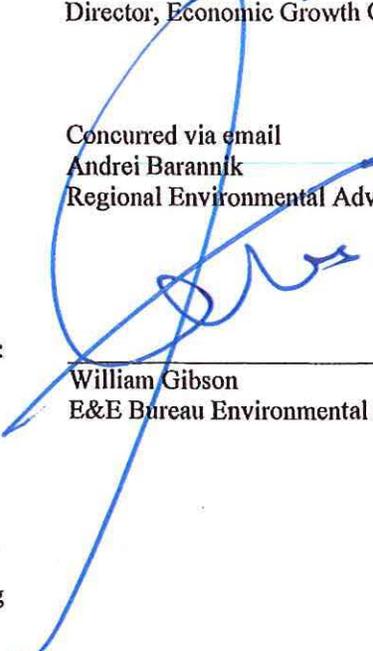
Clearance:

Concurred via email
Andrei Barannik
Regional Environmental Advisor/SCA & OAPA

10/27/2015

Date

Concurrence:



William Gibson
E&E Bureau Environmental Officer

October 30, 2015

Date

Distribution:

Project File
MEO tracking
RLA
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