

SAN MIGUEL URUGUAY (MILAGRO) ENVIRONMENTAL ACTION PLAN

<i>Task</i>	<i>Indicator of Completion</i>	<i>Required Completion Date</i>	<i>Comment</i>
1. <u>Upgrade Management Systems.</u> Upgrade the integrated management system for social and environmental affairs, quality, and occupational health and safety management (ESMS). The upgraded management system will address identified environmental, health and safety, and social impacts and risks. The Company will design the system to comply with Uruguay regulations and IFC performance standards. Milagro will appoint a qualified professional to manage environmental and social affairs, responsible for environmental and social performance in all operations.	Provide IFC with detailed program components, organization chart, funding information, implementing management system procedures, and activities schedule.	January 2010	
2. <u>Purchase Wastewater Equipment System for Fruit Packing in Tucuman.</u> Provide IFC with a signed contract for purchase of wastewater treatment units required to manage industrial effluent from Tucuman fruit packing operations. Treated effluent quality parameters (BOD5, COD, Suspended solids, pH) shall comply with IFC General EHS guidelines for discharge to surface waters.	Provide signed contract; provide evidence of substantial payment; provide schedule demonstrating that works will be completed in accordance with Task 2 below.	Condition of First Disbursement for San Miguel-Uruguay (Milagro)	Incomplete; original completion date December 2005
3. <u>Install Wastewater Treatment System for Fruit Packing in Tucuman and Demonstrate that the System is Fully Operational.</u> Install wastewater treatment system(s) for fresh fruit packing at the Tucumán plant. Treated effluent quality parameters (BOD5, COD, Suspended solids, pH) shall comply with IFC General EHS guidelines for discharge to surface waters.	Provide photo documentation evidence of installation of wastewater management system and analytical laboratory results of final effluent showing concentration of BOD5, COD, pH and suspended solids comply with IFC's General EHS Guideline effluent limits for these parameters;	15 April 2009	Incomplete; original completion date December 2005
4. <u>Install Anaerobic Reactor at Famailla.</u> Install anaerobic reactor; complete start-up and demonstrate efficient operations.	Provide photo documentation of installation of wastewater management system and analytical laboratory data for effluent wastewater from the anaerobic reactor. Provide data comparison with IFC guideline limits for BOD5, COD and suspended solids.	October 2009	Incomplete; original completion date April 2007
5. <u>Contract Phase III (Aerobic Wastewater treatment process) Design and Construction at Famailla.</u> A non-energy intensive system (e.g. ponds) or reuse scheme are preferred alternatives to manage Phase III of industrial wastewater and off season wastewaters not requiring treatment in Phase I and Phase II treatment system.	Provide IFC with a technical information package including treatment system unit processes. Provide signed contract for engineering, procurement and construction. Provide evidence of substantial payment for services.	December 2010	Incomplete; original completion date December 2006

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6. <u>Commence Construction of Phase III (Aerobic Wastewater treatment process) at Famailla.</u>	Provide photo documentation evidence of installation of wastewater management system;	January 2011	Incomplete; original completion date December 2006
7. <u>Demonstrate Fully Operational Phase III (Aerobic Wastewater treatment process) Wastewater Management System at Famailla.</u> Demonstrate that final effluent complies with IFC guideline limits for BOD5, COD. Alternatively demonstrate that reuse scheme complies with local requirements.	Provide photo documentation and analytical laboratory evidence that effluent complies with Argentine regulatory and IFC guideline limits for COD, BOD ₅ and suspended solids	May 2011	Incomplete; original completion date February 2008
8. <u>Revise Human Resources Procedures.</u> Modify existing procedures to fully comply with the requirements of performance standard 2 labor and working conditions. Include references to non-discrimination, freedom of association and collective bargaining, child labor and forced labor including the supply chain.	Provide copies of new and/or revised procedures demonstrating full transparency in accordance with PS2.	Condition of First Disbursement for San Miguel-Uruguay (Milagro)	
9. <u>Plan and Implement Community Engagement Program.</u> Design and implement a community engagement program including a grievance mechanism for the communities in the vicinity of orchards and processing facilities.	Provide IFC with organization chart, funding information and activities schedule.	June 2009	
10. <u>Upgrade Integrated Pest and Disease Management Program.</u> (IPM/IDM). Upgrade shall incorporate procedures to reduce pesticide use, eliminate all WHO Class 1a and 1b pesticides from operations; introduce biological controls; monitoring of pest/disease incidence, and insect/disease ecology; target reduction of incidence of viruses in planting materials and orchards; prepare business plan to institutionalizes IPM/IDM; prepare and implement protocol for blood testing of workers mixing and applying pesticides.	Provide IFC with detailed program components, organization chart, funding information, implementing management system procedures, and proposed activities schedule.	January 2010	
11. <u>Plan and Implement Water Resources Conservation Program.</u> Plan shall focus on reducing ground water impacts. The plan shall be captured in management system procedures addressing enhancement of water resource management sustainability and include modern innovations such as remote ground water level monitoring in supply wells to track future trends in ground water use and availability.	Provide IFC with detailed program components, organization chart, funding information, implementing management system procedures, and proposed activities schedule.	January 2010	