

Serbia/Frikom & Nova Sloga/28172
Environmental Action Plan

Task	Indicator of Completion	Required Completion Date
1. <u>Nominate an Integrated Farm Quality Assurance and Food Safety Program (Good Agricultural Practices [GAP]) Management System Appropriate for Frikom and Nova Sloga Agriculture Operations.</u> Nominate an internationally integrated farm assurance, production food safety programs for farming operations such as GlobalGAP to achieve a certified management program for Good Agricultural Practices on all Frikom, Nova Sloga and <i>cooperant</i> farms	• Submit name and specifications for proposed system to IFC • Submit name of nominated system and implementation schedule	• December 2009
2. <u>Complete Frikom, Nova Sloga and Cooperants Implementation Analysis.</u> Perform Implementation analysis between integrated farm quality assurance and food safety program GAP (Good Agricultural Practices) management system nominated in #1 above and Frikom Farming and <i>cooperants</i> and Nova Sloga <i>Cooperant</i> Operations. Using a professionally qualified and licensed certification body or consulting firm, conduct a gap analysis of existing operations versus the requirements of the nominated program. Define the specific activities that must be undertaken to achieve certification and timetable for completion of the required tasks.	• Commence Programs • Send copy of gap (implementation requirements) analysis, specific action plan required to achieve certification, and implementation schedule to IFC for review; • Define specific practices and operations that must be modified.	• February 2010
3. <u>Obtain GAP Certification for Nova Sloga and Cooperants.</u> Implement and Obtain Certification for Integrated Farm Quality Assurance and Food Safety Program (Good	• Commence Program Certification • Provide qualified certification body certificate of compliance with	• June 2012

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Agricultural Practices [GAP] Management System for Frikom and <i>Cooperant</i> Farming Operations. Implement integrated farm assurance/food safety program for Client farms and obtain certification of the program implementation for all Client farms.	nominated program requirements.	
4. <u>Obtain GAP Certification for Frikom and Cooperants.</u> Implement and Obtain Certification for Integrated Farm Quality Assurance and Food Safety Program (Good Agricultural Practices [GAP] Management System for Nova Sloga and <i>Cooperant</i> Farming Operations.	Start Program Certification	February 2010
	Obtain Full Certification	June 2012
5. <u>Extend Environmental Management Activity from Frikom to Nova Sloga.</u> Establish an integrated function responsible to senior management for health safety and environmental affairs. Train and install environmental coordinators at each plant, ensure close coordination with safety coordinators in each operation, and undertake all activities required to implement environmental policy at all levels of operations, and ensure compliance with host country environmental regulatory and IFC guideline limits.	Submit adequate evidence to IFC that an adequate plan and appropriate staffing, budgeting, management endorsement, vision and mission statements and associated documentation are in place to institutionalize the functions of the department.	December 2009
6. <u>Integrated Management System.</u> Nominate an integrated management system for Nova Sloga. Plan company-wide implementation of a new or modify existing Frikom ISO 9001 system to encompass quality, occupational health and safety (OHSAS 18001), food safety (Global GAP and HACCP) and	Submit adequate evidence to IFC that an adequate plan and appropriate staffing, budgeting, management endorsement, vision and mission statements and associated documentation is in	December 2009

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environmental affairs management for all Nova Sloga and Frikom operations.	place to implement integrated management system	
7. <u>Obtain Certification for Integrated Management System For Frikom and Nova Sloga.</u> Fully implement an internationally recognized, integrated management system encompassing quality, occupational health and safety, food safety and environmental affairs management for all Frikom and Nova Sloga operations.	- Frikom: Submit adequate evidence to IFC that system implementation is complete. - Provide copies of accredited Certification Body certificates (e.g. ISO 9001-2000, OHSAS 18001, et al);	December 2011
	- Nova Sloga: Submit adequate evidence to IFC that system implementation is complete. - Provide copies of accredited Certification Body certificates (e.g. ISO 9001-2000, OHSAS 18001, et al);	June 2012
8. <u>Plan Strengthened Occupational Health and Safety Management System for Frikom and Nova Sloga Operations.</u> Plan an internal occupational health and safety (OH&S) management system including employee training, capabilities for job hazard analyses, training and placement of health and safety coordinators in each operation, emergency response, data collection and analysis.	Submit adequate evidence to IFC that an adequate plan and appropriate staffing, budgeting, management endorsement, vision and mission statements and associated documentation is in place to implement OH&S management system	December 2009
9. <u>Implement and Certify Occupational Health and Safety Management System.</u> Implement and obtain internationally recognized certification (e.g. OHSAS 18000) for the occupational health and safety (OH&S) management system.	Frikom: Provide copies of certification from licensed Certification Body.	December 2011

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	Nova Sloga: Provide copies of certification from licensed Certification Body.	June 2012
10. <u>Develop Nova Sloga Potable Water Monitoring Program.</u> Plan a potable water monitoring program for Frikom and Nova Sloga operations to characterize all raw potable water sources and all treated, distributed waters' baseline chemical, physical and microbiological quality. Monitoring shall affect all waters used for potable purposes, animal husbandry operations and food manufacturing activities.	Submit adequate evidence to IFC of program planning, procedures in place, budgeting, staff to carry out the program, arrangements for laboratories to conduct analytical work, and nominated standards that the analytical laboratory will adhere to in its work (e.g. Standard methods for the Examination of Water and Wastewater).	December 2009
11. <u>Implement Nova Sloga Potable Water Monitoring Program.</u> Program implementation shall be used to demonstrate adequate quality of water is used for all agricultural and industrial operations and that raw water analytical results are used to prescribe and to implement needed water treatment.	Nova Sloga: Provide evidence to IFC that the program is implemented. Demonstrate capability to identify and react appropriately to any report of raw contaminated water or treated water used for potable purposes or food manufacturing and processing activity.	December 2010
12. <u>Plan Integrated Pest Management Program for all Frikom and Cooperants and Nova Sloga Cooperants Operations.</u> Develop a scientific program to control destructive pest infestations that relies upon monitoring and investigation of root causes, and prescribes preventive and non chemical actions as a first	Provide evidence to IFC of the formulation of an integrated pest management program, access to virology/entomology/ plant pathology expertise, strong controls for purchase, storage,	February 2010

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resort to resolve observed infestations of economic significance. The program shall: introduce biological controls; crop management practices; monitoring of pest/disease incidence; a protocol for monitoring health and physiological impact of pesticide handling and application staff; create and institutionalize IPM guidelines, procedures, and training programs; and eliminate as feasible WHO Class 1a and 1b chemical formulations. Chemical controls shall be limited and used as a last resort after elimination of non chemical means;	distribution, and application of chemical control compounds, and continuous training of staff in Integrated Pest Management (IPM) techniques to be applied to Client agriculture operations.	
13. <u>Fully Implement Integrated Pest Management Program for all Client Operations.</u>	Submit evidence to IFC that the planned program has been fully implemented. Frikom and <i>Cooperants</i>	February 2010
	Nova Sloga and <i>Cooperants</i>	February 2010
14. <u>Prepare Nova Sloga Food Safety Implementation Plan for Operations.</u> Design implementation and certification of a HACCP food safety program for all Nova Sloga food processing (bottled water and frozen vegetables and fruits) and manufacturing operations.	Submit evidence to IFC of an adequate plan to achieve internationally recognized (e.g. HACCP) food safety certification. Include staffing, budgeting and implementation schedule.	December 2009
15. <u>Certify Nova Sloga Food Safety Program.</u> Implement and obtain certification for HACCP (Codex Alimentarius or ISO 22000) food safety program for food and beverage processing and manufacturing operations.	Provide evidence to IFC of internationally recognized food safety management system certification by an accredited Certification Body	June 2011
16. <u>Contract Clean Production & Wastewater Management Design Services for Frikom.</u>	Provide signed contract with engineering firm to	December 2009

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Contract engineering services for: clean production engineering audits to reduce water demand and wastewater production; design of segregated sanitary waste and treatment system; design pretreatment systems for vegetable processing and ice cream/pastry wastewater; and design of Industrial Waste treatment system. Treated effluent shall be in full compliance with Serbian regulatory and IFC General EHS Guideline limits for wastewater discharged to the Danube (e.g. BOD5 <30 mg/l; COD <125 mg/l; .	conduct clean production audits; design sanitary system modifications and industrial waste pretreatment and treatment systems. Provide engineer's certification that revised wastewater management system will consistently produce treated effluent to comply with Serbian regulatory and IFC General EHS Guideline limits for discharges to surface water.	
17. <u>Complete Clean Production Audit and Delineation of Improvements Required to Reduce Water consumption and Industrial Wastewater Production.</u>	• Provide a copy of Clean Production Improvements report for IFC	• April 2010
18. <u>Segregate Frikom Sanitary Wastewater from Industrial Waste; Provide Local Treatment and Disposal.</u>	• Provide sanitary waste system design and photo documentation demonstrating that sanitary wastewater has been segregated from industrial wastewater and that it is treated on site with no discharges to surface waters;	• December 2010
19. <u>Fully Implement Clean Production Measures Defined in the Clean Production Audit to Reduce Water Consumption and Industrial Wastewater Production.</u> Complete installation of clean production measures and revised wastewater system and submit data illustrating that the system produces a treated industrial	• Provide photo documentation technical data demonstrating Clean Production tasks have been completed; • Submit data demonstrating reduction of water use and industrial	• December 2010

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effluent consistent with IFC General EHS guideline limits and Serbian regulatory limits.	wastewater production;	
20. <u>Construct/Install Pretreatment Systems for Vegetable Processing and Ice Cream/Pastry Manufacturing Lines.</u>	Procure and install wastewater pretreatment equipment to remove solid organic waste from vegetable processing and grease and oils from ice cream manufacturing to reduce solids and BOD5/COD prior to secondary treatment;	June 2011
21. <u>Complete Construction and Start-up of Frikom Industrial Wastewater Treatment System.</u>	- Completed construction of wastewater management system for industrial wastes from vegetable processing and ice cream manufacturing. - Treated effluent for discharge to PKB Combinant sewer and/or to the Danube River shall comply with Serbian limits for discharge to the Danube river and with IFC General EHS Guideline wastewater quality limits including the following: - Provide analytical data demonstrating that treated effluent strength has BOD5 < 30 mg/l; COD<125 mg/l; total suspended solids <50mg/l;	December 2012
22. <u>Plan Frikom and Nova Sloga Vehicle Operator Safety Training Program.</u> Implement	Submit adequate evidence to IFC of program planning,	December 2009

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a vehicle operator safety program consistent with the requirements of IFC's General EHS Guidelines.	procedures, required equipment, budgeting, and staff to carry out the program.	
23. <u>Implement Frikom and Nova Sloga Vehicle Operator Safety Training Program.</u> Implement a vehicle operator safety program consistent with the requirements of IFC's General EHS Guidelines. Include grievance procedure aspect for potentially affected communities along transport routes.	• Submit adequate evidence to IFC of fully program implementation	• July 2010
24. <u>Prepare Human Resources Policy/Procedures for Nova Sloga Operations.</u> Modify existing Frikom human resources policy and procedures for Nova Sloga or prepare new documentation and procedures to fully comply with the requirements of IFC's Performance Standard 2 Labor and Working Conditions	• Provide copy of new and/or revised procedures demonstrating full transparency in accordance with PS2.	• September 2009
25. <u>Distribute Nova Sloga Human Resources Policy/Procedures; Conduct Employee Training.</u>	• Provide evidence to IFC that the revised procedures/policy has been distributed/made available to employees, and awareness programs are complete.	• December 2009
26. <u>Plan Frikom and Nova Sloga Community Engagement Program.</u> Design a community engagement program including a grievance mechanism for the communities in the vicinity of agriculture, processing and transport facilities and operations.	• Provide IFC with organization chart, funding information and activities schedule.	• December 2009
27. <u>Implement Frikom and Nova Sloga Community Engagement Program.</u> Implement a community engagement	• Provide IFC with organization chart, funding information and activities	• June 2010

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program including a public grievance mechanism for the communities in the vicinity of agriculture, processing and transport facilities and operations.	schedule.	
28. <u>Environmental Assessment (EA) for Nova Sloga.</u> Prepare EA addressing expansion and renovation of Nova Sloga Operations. Submit for regulatory review and approval. Conduct public consultation during regulatory agency review.	• Provide IFC with executive summary of the Nova Sloga EA in English • Provide IFC with regulatory agency approval of the EA and permits for expansion construction;	• December 2009
29. <u>Hazardous Materials Management.</u> Improve hazardous materials management practices at Frikom and Nova Sloga.	• Construct containment for used hydrocarbons storage; • Confirm integrity and install leak monitoring devices for the 50m3 underground diesel storage tank; • Document management of ammonia in accordance with good international industry practices (e.g. International Institute of Ammonia Refrigeration Process Safety Management Guidelines for Ammonia Refrigeration);	• February 2010
30. <u>Modify Construction and Services Contracts.</u> Modify services and construction contracts to mandate full implementation of an occupational health and safety management system for contracted services; and full compliance with Frikom's Human Resources Policy and Practices for Employees.	• Provide IFC with evidence that services and construction contracts have been modified to mandate occupational safety and health programs and flow down of Frikom Human Resources policies	• February 2010

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	to contractor personnel	
31. <u>Review Security Contract and Services.</u> Review Frikom and for Nova Sloga security contracts and confirm that these services are to be guided by principles of proportionality, good international industry practice in terms of hiring, rules of conduct, training, equipping and monitoring of such personnel, and applicable law. Frikom will also conduct periodic and pre-contract investigations to ensure that selected contractors are not implicate in past abuses.	• Provide IFC with adequate evidence that contract revisions have been made; • Provide IFC with evidence of investigations into past conduct of Security Service Providers.	• February 2010
32. <u>Demonstrate Long Term Sustainability of Ground Water Resource Utilized by Frikom.</u> Commission studies of the ground water to demonstrate long-term sustainability of the resource and document that this rate of use is sustainable and there are no negative impacts on regional industrial or municipal water users.	• Provide IFC with evidence that the evaluation has been carried out and that all recommended corrective measures have been implemented.	• July 2010
33. <u>Provide Confirmation of Nova Sloga Fruit and Vegetable Wastewater Treatment System.</u>	• Confirm that industrial wastewater from Nova Sloga is being treated by the City of Trstenik.	• December 2011
34. <u>Construct Wastewater Treatment System for Nova Sloga Fruit and Vegetable Industrial Wastewater Treatment System.</u>	• If treatment will not have been provided by the City of Trstenik by the completion date above in task 33, design and construct wastewater system for Nova Sloga Industrial Wastewater.	• December 2011