

**Serbia/Frikom & Nova Sloga #29685 - Environmental and Social Action Plan**

Task	Indicator of Completion	Required Completion Date
<b>1. <u>Obtain GAP Certification for Nova Sloga and Cooperants.</u></b> Implement and Obtain Certification for Integrated Farm Quality Assurance and Food Safety Program (Good Agricultural Practices [GAP]) Management System for Nova Sloga and cooperant farming operations	<ul style="list-style-type: none"> <li>Commence Program Certification</li> <li>Provide qualified certification body certificate of compliance with nominated program requirements.</li> </ul>	<ul style="list-style-type: none"> <li>June 2011</li> </ul>
	<ul style="list-style-type: none"> <li>Obtain full certification</li> </ul>	<ul style="list-style-type: none"> <li>June 2012</li> </ul>
<b>2. <u>Obtain GAP Certification for Frikom and Cooperants.</u></b> Implement and Obtain Certification for Integrated Farm Quality Assurance and Food Safety Program (Good Agricultural Practices [GAP]) Management System for Frikom and Cooperant Farming Operations. Implement integrated farm assurance/food safety program for Client farms and obtain certification of the program implementation for all Client farms.	<ul style="list-style-type: none"> <li>Obtain full certification</li> </ul>	<ul style="list-style-type: none"> <li>December 2010</li> </ul>
<b>3. <u>Extend Environmental Management Activity from Frikom to Nova Sloga.</u></b> Establish an integrated function responsible to senior management for occupational 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.	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>December 2010</li> </ul>
<b>4. <u>Integrated Management System</u></b> 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 environmental affairs management for all Nova Sloga and Frikom operations.	<ul style="list-style-type: none"> <li>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 integrated management system</li> </ul>	December 2010
<b>5. <u>Obtain Certification for Integrated Management System for Frikom and Nova Sloga.</u></b> Fully implement an internationally	<ul style="list-style-type: none"> <li>Frikom: Submit adequate evidence to IFC that system implementation is</li> </ul>	December 2011

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recognized, integrated management system encompassing quality, occupational health and safety, food safety and environmental affairs management for all Frikom and Nova Sloga operations.	<ul style="list-style-type: none"> <li>complete.</li> <li>Provide copies of accredited Certification Body certificates (e.g. ISO 9001-2000, OHSAS 18001, et al);</li> </ul>	
	<ul style="list-style-type: none"> <li>Nova Sloga: Submit adequate evidence to IFC that system implementation is complete.</li> <li>Provide copies of accredited Certification Body certificates (e.g. ISO 9001-2000, OHSAS 18001, et al);</li> </ul>	December 2012
<b>6. <u>Plan and strengthened Occupational Health and Safety Management System for Frikom and Nova Sloga Operations.</u></b> 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.	<ul style="list-style-type: none"> <li><b>Frikom:</b> 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&amp;S management system</li> </ul>	December 2010
	<ul style="list-style-type: none"> <li><b>Nova Sloga:</b> 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&amp;S management system</li> </ul>	June 2011
<b>7. <u>Implement and certify Occupational Health and Safety Management System</u></b> Implement and obtain internationally recognized certification (e.g. OHSAS 18000) for the occupational health and safety (OH&S) management system.	<ul style="list-style-type: none"> <li>Frikom: Provide copies of certification from licensed Certification Body.</li> </ul>	June 2011
	<ul style="list-style-type: none"> <li>Nova Sloga: Provide copies of certification from licensed Certification Body.</li> </ul>	June 2012

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8. <b><u>Implement Nova Sloga Potable Water Monitoring Program.</u></b> 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.	<ul style="list-style-type: none"> <li>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.</li> </ul>	December 2010
9. <b><u>Plan Integrated Pest Management Program for all Nova Sloga Cooperants Operations.</u></b> 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 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;	<ul style="list-style-type: none"> <li>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, 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.</li> </ul>	June 2011
10. <b><u>Fully Implement Integrated Pest Management Program for all Client Operations of Nova Sloga and cooperants.</u></b>	<ul style="list-style-type: none"> <li>Submit evidence to IFC that the planned program has been fully implemented.</li> </ul>	December 2011
11. <b><u>Certify Nova Sloga Food Safety Program.</u></b> Implement and obtain certification for HACCP (Codex Alimentarius or ISO 22000) food safety program for food and beverage processing and manufacturing operations.	<ul style="list-style-type: none"> <li>Provide evidence to IFC of internationally recognized food safety management system certification by an accredited Certification Body</li> </ul>	June 2011
12. <b><u>Complete Clean Production Audit and Delineation of Improvements Required to reduce Water consumption and Industrial Wastewater Production.</u></b> (Contract engineering services for: clean production engineering audits to	<ul style="list-style-type: none"> <li>Provide a copy of Clean Production Improvements report for IFC</li> </ul>	November 2010

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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)		
<b>13. Fully Implement Clean Production Measures Defined in the Clean Production Audit to Reduce Water Consumption and Industrial Wastewater Production.</b> Complete installation of clean production measures and revised wastewater system and submit data illustrating that the system produces a treated industrial effluent consistent with IFC General EHS guideline limits and Serbian regulatory limits.	<ul style="list-style-type: none"> <li>• Provide photo documentation technical data demonstrating Clean Production tasks have been completed;</li> <li>• Submit data demonstrating reduction of water use and industrial wastewater production;</li> </ul>	June 2011
<b>14. Construct/Install Pretreatment Systems for Vegetable Processing and Ice Cream/Pastry Manufacturing Lines.</b>	<ul style="list-style-type: none"> <li>• 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;</li> </ul>	December 2011
<b>15. Complete Construction and Start-up of Frikom Industrial Wastewater Treatment System.</b>	<ul style="list-style-type: none"> <li>• Completed construction of wastewater management system for industrial wastes from vegetable processing and ice cream manufacturing.</li> <li>• Treated effluent for discharge to PKB Combinat 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:               <ul style="list-style-type: none"> <li>• Provide analytical data</li> </ul> </li> </ul>	December 2012

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	demonstrating that treated effluent strength has BOD5 < 30 mg/l; COD<125 mg/l; total suspended solids <50mg/l;	
<b>16. <u>Plan Frikom and Nova Sloga Community Engagement Program.</u></b> Design a community engagement program including a grievance mechanism for the communities in the vicinity of agriculture, processing and transport facilities and operations.	<ul style="list-style-type: none"> <li>• Provide IFC with organization chart, funding information and activities schedule.</li> </ul>	December 2010
<b>17. <u>Implement Frikom and Nova Sloga Community Engagement Program.</u></b> Implement a community engagement program including a public grievance mechanism for the communities in the vicinity of agriculture, processing and transport facilities and operations.	<ul style="list-style-type: none"> <li>• Provide IFC with organization chart, funding information and activities schedule.</li> </ul>	June 2011
<b>18. <u>Environmental Assessment (EA) for Nova Sloga.</u></b> Prepare EA addressing expansion and renovation of Nova Sloga Operations. Submit for regulatory review and approval. Conduct public consultation during regulatory agency review.	<ul style="list-style-type: none"> <li>• Provide IFC with executive summary of the Nova Sloga EA in English</li> <li>• Provide IFC with regulatory agency approval of the EA and permits for expansion construction;</li> </ul>	Before expansion project implementation started
<b>19. <u>Hazardous Materials Management.</u></b> Improve hazardous materials management practices at Frikom and Nova Sloga.	<ul style="list-style-type: none"> <li>• Construct containment for used hydrocarbons storage;</li> <li>• Confirm integrity and install leak monitoring devices for the 50m3 underground diesel storage tank;</li> <li>• 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)</li> </ul>	December 2010
<b>20. <u>Modify Construction and Services Contracts.</u></b> Modify services and construction contracts to mandate full implementation of an occupational health and safety management system for contracted services; and full compliance	<ul style="list-style-type: none"> <li>• Provide IFC with evidence that services and construction contracts have been modified to mandate occupational safety and health</li> </ul>	December 2010

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with Frikom's Human Resources Policy and Practices for Employees.	programs and flow down of Frikom Human Resources policies to contractor personnel	
<b>21. <u>Review Security Contract and Services.</u></b> 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.	<ul style="list-style-type: none"> <li>• Provide IFC with adequate evidence that contract revisions have been made;</li> <li>• Provide IFC with evidence of investigations into past conduct of Security Service Providers.</li> </ul>	December 2010
<b>22. <u>Provide Confirmation of Nova Sloga Fruit and Vegetable Wastewater Treatment System.</u></b>	<ul style="list-style-type: none"> <li>• Confirm that industrial wastewater from Nova Sloga is being treated by the City of Trstenik.</li> </ul>	December 2011
<b>23. <u>Construct Wastewater Treatment System for Nova Sloga Fruit and Vegetable Industrial Wastewater Treatment System.</u></b>	<ul style="list-style-type: none"> <li>• If treatment will not have been provided by the City of Trstenik by the completion date outlined in task 30, design and construct wastewater system for Nova Sloga Industrial Wastewater.</li> </ul>	December 2011