Environmental Classification: This is a category III project according to the IIC's environmental and labor review procedure because specific impacts may result that can be avoided or mitigated by adhering to generally recognized performance standards, guidelines, and design criteria. The principal environmental and labor issues related to this project include legislation, solid waste management, liquid effluents, occupational health and workplace safety, emergency response and fire safety, as well as other labor issues.

Legislation: The project complies with applicable domestic regulations and holds valid permits, including (1) Construction Permit (OPAMSS, Viceministerio de Vivienda y Desarrollo Urbano y Alcaldía [Office of the Deputy Minister of Housing and Urban Development and City Hall]); (2) environmental permit (MARN, Ministerio de Medio Ambiente y Recursos Naturales [Ministry of the Environment and Natural Resources]); and (3) water supply and sewage systems (ANDA, Administración Nacional de Acueductos y Alcantarillado [National Water Supply and Sewage Systems Administration]).

Solid Waste Management: Solid waste generated at Fepade is temporarily stored in a container for subsequent collection and proper disposal by municipal trucks. The IIC will request that contractors appropriately store and dispose of all construction debris and that the potentially harmful substances used in construction, such as diesel fuel and oil, be stored in secure areas with appropriate containment measures to reduce the risk of leaks. Paper used in Fepade classes is recycled for internal documents. When the documents are discarded, the paper is shredded and sold.

Liquid effluents: Wastewater from the campus is disposed of in a wastewater treatment system with a primary sedimentation tank (septic tank) that is connected to the main municipal sewage pipeline.

Occupational health and safety: There is a person in charge of occupational health and safety whose sole responsibility is to monitor workplace safety and provide aid in the event of an accident. The IIC will require that all construction contractors be adequately trained in safety matters. Fepade will be required to make sure that the construction contractors receive appropriate personal protection equipment. In addition, the IIC will require that preventive safety signs be installed to identify areas where workers should take certain precautions. The IIC will also require that Fepade install fencing and post signs around the perimeter of each construction area to restrict access to construction sites and equipment. This will minimize the risk of unauthorized persons entering the site and perhaps causing unnecessary health and safety risks as well as potential construction delays.

Emergency response and firefighting: The buildings now in use on the campus comply with the requisite emergency response, fire prevention, and firefighting standards. Emergency exits, fire extinguishers, and fire hydrants are clearly marked. The IIC will require that the new auditorium comply fully with all construction safety standards. Construction materials must also be flame-resistant. El Salvador has a mandatory seismic building code for all construction work, so the architectural plan will comply with these regulations and obtain authorization from OPAMSS (Oficina de Planificación del Área Metropolitana de San Salvador [San Salvador Metropolitan Area Planning Office]).

Labor Considerations: Fepade follows good labor practices and respects freedom of association and national minimum working age legislation.

Oversight and Compliance: Monitoring procedures are set forth in Fepade's Environmental Management Plan, and Fepade will report yearly with monitoring data on wastewater discharge, solid waste disposal, fire safety, occupational health and safety, accident reports, and other labor

issues. During the life of the project, the IIC will monitor ongoing compliance with its own Environmental and Labor Review Guidelines policy by evaluating monitoring reports submitted annually to the IIC by the company and by conducting periodic site reviews during project supervision.