

Environmental and Labor Issues:

This is a category III project according to the IIC's environmental and labor review procedure because it could produce certain effects that may be avoided or mitigated by following generally recognized performance standards, guidelines, or design criteria. The main environmental and labor considerations related to the project are liquid effluent management, solid waste management, fire safety and emergency response, and occupational health and safety.

Liquid Effluent Management: Wastewater is treated in grease collectors before being discharged into the hotel's sewage system for subsequent treatment. Runoff is discharged into the city's sewer system.

Solid Waste Management: Solid waste is collected and eliminated as required by local laws and regulations. During the construction phase, the company will keep the level of solid waste generated to a minimum.

Air Emissions: The hotel's air conditioning system and food storage facilities comply with international standards for reducing ozone depletion, because they do not use refrigerants derived from chlorofluorocarbons. Air emissions will be minimal, as generators will only be used in the event of an emergency. Under normal conditions, the hotel will be connected to the local power grid.

Building Security: The design and construction plans for the new rooms and common areas of the hotel will be revised by local authorities, as well as by the appropriate division of Sheraton, in order to ensure compliance with local and international standards. The relevant authorities will award a building permit and, during the construction phase, the company will make sure that contractors provide workers with the required safety equipment and comply with safe workplace practices.

Fire Safety and Emergency Response: There is an integrated personal protection system for use during fires. Rooms and common areas have signage that indicates escape routes and procedures for evacuating the building in the event of a fire. In addition, there are emergency stairs both inside and outside the building. Sprinklers have been installed in common areas. The kitchen area has automatic systems and fire blankets, as well as foam extinguishers. The common areas have fire extinguishers and hoses on reels. Emergency exits are well-lit and have appropriate signage. The personal and fire safety systems meet the standards of Sheraton and the National Fire Protection Association in the United States. The hotel has a response plan in the event of an emergency that includes personnel training on first aid and fire evacuation procedures, and evacuation exercises are carried out periodically. The plan also includes a permanently on-call team that is trained to respond in the event of a fire or emergency.

Social and Labor Issues: The hotel workers do not belong to a union. Salary, benefits, and incentive levels are higher than the minimum levels required under Paraguayan law. Personnel continually receive training organized by the hotel and the Sheraton company.

Oversight and Compliance: The hotel is implementing an environmental management plan that is acceptable to the IIC. The plan includes (1) a description of planned security and environmental protection systems; (2) a calendar for incorporating all of the environmental and security considerations into new projects; and (3) annual monitoring requirements.