

**Environmental Classification and 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. Each subproject will be subject to an environmental review and must comply with national environmental and labor laws, regulations, and standards as well as IIC environmental guidelines. The borrower has already attended IIC's financial intermediary environmental training seminar and, subsequent to taking the course, Findesa developed and implemented an environmental policy in early 2005.