

This is a category **III project** according to IIC's environmental review procedure because specific impacts may result that can be avoided or mitigated by adhering to generally recognized performance standards, guidelines and design criteria. Environmental issues associated with this project includes: fire protection and emergency response, worker health, solid waste disposal, liquid effluents, and air emissions. All applications for new free zones in the Dominican Republic require approval from the Consejo Nacional de Zonas Francas de Exportación (CNZF) which carries with it an implicit environmental assessment and approval. Hainamosa's tenant lease contracts include clauses that require identification of the purpose of the use of the space, which cannot be changed without prior approval. Environmental and safety compliance are also required.

*Fire protection and emergency response:* The free zone has its own water supply from six wells that feed two tanks (176,000 gallons and 65,000 gallons) connected to a system of six hydrants. In the event of a fire all resources would be dedicated to extinguishing it. All of the buildings will be supplied with extinguishers and exit signage. Additional equipment would be dependent on the proposed activity of the tenant and be defined in the lease. The tenant lease prohibits any modifications to the buildings without prior approval from Hainamosa. Fire and emergency response is coordinated with the municipal fire department, which has a two-engine station located in the free zone. Each building has designated employee fire teams. There are also periodic fire drills and training in the proper operation and use of emergency equipment. The free zone has a clinic, and the nearest hospital is within minutes' driving distance.

*Worker health:* The buildings are designed to have high ceilings and windows to provide proper ventilation. The free zone has its own twenty-bed clinic that offers care to the workers and their families. Annual medical examinations are required for the workers in the free zone. Additionally, air quality monitoring equipment and or aspiration equipment would be dependent on the activity of the tenant.

*Solid waste disposal:* Solid waste disposal is a service provided by the free zone. This consists primarily of the removal of fabric and packaging materials. The waste is recycled or disposed of in the municipal dump. In the event that industrial or hazardous waste is generated, provision for its removal would be a condition of the lease.

*Liquid effluents:* Domestic sewage is disposed of via connection to the municipal system. Prior to connection to the municipal system a septic tank system was provided for every two buildings. In the event that industrial or hazardous liquid effluents are generated, provision for its treatment would be a condition of the lease.

*Air emissions:* No significant level of air emissions are generated or anticipated. The primary source of power is a direct connection to the national grid via a dedicated transformer sub/station.

### **Monitoring:**