

Environmental and Labor Issues:

Environmental Classification: 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 principal environmental and social issues related to this project include solid waste management, wastewater management, occupational health and safety, and emergency preparedness and response.

The project to be financed includes the construction of a new, state-of-the-art international passenger terminal, consisting of a two story facility. The Government of Costa Rica (Civil Aviation Authority) is responsible for issues (including environmental) related to operations of all other areas of the airport (aside from the new passenger terminal), which include air traffic control, meteorology, security, passenger screening, fire and rescue, groundside roads and parking lots (other than the new parking lot built by Coriport), and all airside infrastructure such as runways, taxiways, aprons, cargo handlers, and general aviation.

Environmental Management: Coriport has hired an environmental specialist (regente ambiental), who will ensure that the construction of the new terminal is in compliance with local environmental, health and safety requirements. Coriport requires that all construction contractors comply with local environmental and health and safety standards, as specified in the construction contract. Coriport's environmental specialist will inspect construction sites during his or her regular visit to the airport.

In addition, Coriport will develop an Environmental Management Plan (EMP), which will include details on mitigation measures during construction to minimize environmental impacts. These include measures to control erosion, reduce dust, and control sedimentation into stormwater drainage systems.

To date, Coriport appears to have met the environmental requirements set by the Secretaría Técnica Nacional Ambiental (SETENA) according to Resolution 2421-2007-SETENA of November 2007 and all of its modifications. Coriport has provided SETENA with an Environmental Compliance Bond for the construction stage in accordance with resolution 1505-2007-SETENA dated July 2007. It is also required as part of the Concession Agreement that Coriport provide a subsequent Operation Environmental Bond as part of the commissioning of the terminal project.

Air Emissions: Coriport will ensure that its construction contractors implement the appropriate mitigation measures to suppress fugitive dust emissions during construction.

Solid Waste: Solid waste from the new terminal will be collected and disposed of in accordance with Costa Rican requirements and international best practices. An incinerator is currently under consideration as part of the design plan, however it has not yet been confirmed whether this will be done or whether the waste will be collected and forwarded to the local landfill for disposal. Waste from the airplanes and at the runway facilities will continue to be the responsibility of the Civil Aviation Authority.

Wastewater: Coriport will construct a new sewage treatment plant that will meet Costa Rican environmental legal requirements.

Aeronautical Noise: Limited noise monitoring is conducted at the airport. There are no immediate residential neighborhoods. However, it is advisable that noise modeling be undertaken in the future once there is a clearer idea of the anticipated air traffic into the airport. This would allow planning officials to take into consideration model results when zoning land use areas to ensure compatible

development (for instance, so that schools, daycares, and hospitals are not built in high noise areas). Under the concession agreement, issues related to aircraft noise fall under the responsibility of the Civil Aviation Authority, as Coriport is responsible for the passenger terminal.

Occupational Health and Safety: Coriport will monitor occupational health and safety for operations and construction at the new terminal. Coriport's environmental specialist will also be dedicated to occupational health and safety. Construction contractors will be required to use the appropriate personal protective equipment and have the necessary training.

Labor: Coriport will adhere to the local labor requirements, as well as those required by the IIC.

Emergency Preparedness/Response: Coriport is in the process of finalizing the emergency response plan and the fire safety and evacuation plans for the terminal in the operation phase of the project. The rescue and fire fighting services facilities, located west of the existing terminal has a fleet of modern and well equipped vehicles, as well as a well trained team of firefighters. Coriport will work in conjunction with the existing fire fighting facility on site to ensure that if there is an emergency at the new terminal, the appropriate emergency response procedures are in place and that the necessary equipment is mobilized. In addition, there will be an increase in the amount of firewater available to the terminal once the municipal water connection to the airport is completed. It is anticipated that full-scale drills will be conducted at the airport in collaboration with the rescue and fire fighting services staff with the objective of testing preparedness levels.

Fire Safety: The fire protection systems to be installed in the new terminal will be in compliance with the requirements of the National Fire Protection Association (NFPA). Sprinklers will be installed in the terminal in compliance with the NFPA 13 standard, and the design of the fire extinguishers will comply with the requirements of the NFPA 10 standard. The terminal will also have an alarm system in place in compliance with NFPA standards. The alarm system will include an emergency communication system, with speakers located throughout the building.

Potable Water: The city of Liberia will supply potable and fire water via a new underground piping system to the edge of the lease boundary. This new supply of water will be used for the entire airport, replacing the previously used well water obtained on site.

Wildlife Control: The Civil Aviation Authority, who currently runs the airport, has a wildlife committee in place that meets monthly. Measures are taken to minimize bird strikes and bird activity, such as controlling the amount of standing water on site, improving drainage, cutting grass and fruit trees that attract birds. In addition, the airport has two gas canons, which they fire to frighten birds away from the airport before an aircraft arrives.

Monitoring and Reporting: Coriport is committed to implementing the necessary mitigation measures included in the EMP for the construction of the new terminal, as well as an Environmental and Social Action Plan (ESAP) to ensure compliance with the IIC's environmental and workplace health and safety requirements. A yearly environmental monitoring report will be submitted to the IIC on the implementation status of the ESAP. This report should include updates on environmental issues (i.e. status of liquid waste/solid waste management practices) and occupational health and safety (i.e. training activities, emergency drills, accident reports, and any follow-up corrective actions).