

Environmental and Labor Issues

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 environmental and labor considerations related to the project include liquid effluent management, solid waste management, air emissions, personal safety, and emergency response.

Main Environmental Impacts

Liquid Effluent Management

Granja Tres Arroyos operates two processing facilities (Capitán Sarmiento and Concepción del Uruguay). The facilities generate industrial liquid effluents with an organic load from processing and from washing cases, trays, and trucks, as well as transport water (towards the rendering plant), and discarded cooling water. Both plants have treatment facilities where the liquid effluent is screened to remove viscera and feathers and passes through an equalizer tank and a two-stage DAF degreaser prior to discharge into streams. The fatty, light fraction, separated by flotation, is sent to a tri decanter. The heavier fraction, consisting mainly of liquid effluent, goes to a system of aerobic lagoons (three at Capitán Sarmiento and four at Concepción) with mechanical aerators. The effluent from the lagoons is chlorinated and then discharged into streams (Arroyo Cahuané at Capitán Sarmiento and Arroyo La China at Concepción del Uruguay). The fraction sent to the tri decanter is itself separated into three fractions. The two lighter fractions (grease and oil) are used to fuel the boilers. The aqueous fraction is returned to the equalizer tank for reprocessing. This treatment technology releases less methane into the atmosphere than traditional anaerobic treatment systems do. It also reduces odors and recovers renewable fuel (oils).

The new facility, Pilar, will have a similar treatment plant. However, its technical features have not yet been determined.

Solid Waste Management

Granja Tres Arroyos' grow-out farms use composting systems to dispose of dead birds, turning them into organic fertilizer.

Organic waste from the processing facility, such as unusable viscera, rejected birds, bone waste, and other processing facility waste, is processed at the rendering plant to obtain meal for making feed. Each processing plant has a rendering plant.

Recyclable solid waste (cardboard, plastic, metal) is collected and sold through recycling companies.

Air Emissions

There are no significant air emissions. Steam for the plants is generated by equipment that runs on natural gas, which reduces air pollution. Installing aerobic effluent treatment systems significantly decreased nuisance odors from the plants. In addition, the plants are far from populated areas and are protected by plant screens.

Personal Safety and Emergency Response

The plants use ammonia as a refrigerant in the cold storage rooms, freezing tunnels, ice makers, and chillers. Although ammonia does not contribute to ozone depletion, leaks are hazardous because ammonia is an extremely irritating gas. The company has a contingency plan that includes an

evacuation plan in the event of leaks, alarmed detectors, sprinklers, showers, and eye wash stations. The emergency brigades are provided with respiratory protection and other protective equipment. The plants have alarm and firefighting systems, and regular training sessions are held.

In accordance with Argentine law, all workers have health and occupational accident insurance coverage (ART).

Labor Practices

Granja Tres Arroyos complies with domestic labor legislation. Mandatory core labor standards include social security benefits, freedom of association, organization of workers' unions, prohibition of forced labor and exploitative and abusive child labor, and nondiscrimination in the workplace. GTA's workers belong to the following labor unions: Sindicato de Trabajadores de la Industria de la Alimentación, for workers at the processing facilities and dehydrated products plant; Unión Argentina de Trabajadores Rurales y Estibadores, for those at the hatcheries and breeder and grow-out facilities; Unión Obrera Molinera Argentina, for those at the feed mills; and Sindicato de Empleados de Comercio, for workers at the distribution centers and administrative offices.

Monitoring and Reporting

Granja Tres Arroyos S.A. shall develop an Environmental Management Plan (EMP) satisfactory to the IIC to ensure compliance with domestic regulations and with the IIC's environmental and workplace safety and health guidelines. The EMP will include a yearly report on liquid effluent and solid waste management; air quality monitoring; health, occupational safety, and emergency response training; and accident reporting.