

Environmental Classification: This is a category III project according to the IIC's environmental and labor review procedure because specific impacts may result that can be avoided or mitigated by adhering to generally recognized performance standards, guidelines, and design criteria. During project appraisal, the following potential environmental impacts were analyzed: rational use of pesticides and fertilizer; pollution prevention; efficient use of energy, water, and other natural resources; recycling and reuse of materials; land conservation and improvement and protection of animal life; handling of waste; protection of human health, including the provision of personal protection equipment and worker training; and other labor considerations.

This expansion project includes planting new areas in apples, blueberries, and similar products. The land is already being used for farming, so all that is involved is a change in species instead of in primary land use. Land on which there are native species or trees or that is being put to other uses will not be affected. During the project design stage, areas were set aside for protecting plant and animal species.

In 2002, Millahue and Trallay adopted the Good Agricultural Practices Program as well as Nature's Choice policies, which are a complete protocol for meeting requirements and obtaining certification. Certification involves compliance with most of Chile's legal requirements for the operation; the only parts pending implementation are the management plan for land conservation and improvement and protection of plants and animals. These have already been taken into consideration for the expansion project.

Among the program's major achievements are the recent establishment of collection points for empty pesticide, oil, and lubricant containers and electrolytic batteries as part of larger recycling chains being implemented. Audits are carried out periodically throughout the supply chain. Among the most significant audits are those carried out for all of the orchards by Fundación de Desarrollo Frutícola (FDF) in two consecutive years under the Good Agricultural Practices Programs. The audit of the blueberry orchards and packing facilities was carried out by another certified international firm, Davis Fresh Technologies. There are several fruit certification firms in Chile, and Millahue and Trallay may engage any of them to perform an audit.

Liquid Waste

All of the companies' plantations are on land zoned for farming by the competent agency, which is CIREN-COFRO.

The surface water used to irrigate the land is taken from wells registered with the Dirección de Aguas of the Ministerio de Obras Públicas and is subject to regular bacteriological testing. Results have been satisfactory to date.

Sewage is piped to special septic tanks designed to handle the wastewater produced by plant employees. This treatment system is being checked by the health authorities. The system is maintained and cleaned regularly by a company authorized by the Health Service.

Solid Waste

The main source of solid waste is urban or domestic trash, which is collected by a public service (municipal). Private companies are hired for areas that these services do not cover.

Pesticide containers are accumulated in specially designed enclosures until there are enough to send to authorized recycling centers.

Solid organic waste, such as sawdust and grape marc for the blueberry plantations, is recycled to

improve the soil structure and as mulch.

Material Use and Storage

Farm equipment (shovels, hoes, clippers, ladders, etc.), fertilizers, and pesticides are stored in the warehouses. Each material is stored separately under specific conditions and is properly labeled as required by BPA standards.

Pesticides and fertilizers are managed according to a system that covers all of the facilities, including receiving, ordering, and distributing each material, maintaining records, and dispatching, applying, loading, and unloading.

Fertilizer application is based on the results of foliar tests at all of the orchards and fields, which are interpreted by specialized advisors who determine what kind of fertilizer and how much to use in each case. Specific records are kept

Occupational Health and Hygiene

Protective gear (such as suits, gloves, masks, goggles, and boots designed specifically for working with pesticides) are used for all activities, especially those that involve using and handling chemicals (pesticides). For other hazardous activities protective equipment is also used, such as gloves and goggles for pruning.

There are written instructions for each activity, and compliance is monitored continually by project managers.

There are emergency plans for such situations as chemical spills inside or outside the warehouse, fire, and work-related accidents.

There is an ongoing training program covering the use of pesticides and other technical and occupational hygiene and safety issues.

In compliance with Chilean law, all of the company's workers are of legal age. Although the workers are free to join unions, there are none at the company. Base pay is the national minimum wage for the agricultural sector, but actual pay for plant and temporary workers alike is higher than the minimum for these activities.