

Environmental Classification: This is a category III project according to the IIC's environmental review procedure because specific impacts may result which can be avoided or mitigated by adhering to generally recognized performance standards, guidelines, and design criteria. The most significant environmental and labor considerations related to the project include the following: solid waste disposal, liquid effluent treatment by means of a septic tank upstream of the connection to the sewage main, fire safety, safety during construction, and employee and student health and safety.

Environmental compliance and other permits:

The following permits are required to build the project:

- Environmental Permit
- Site Suitability
- Construction Line
- Street Layout Review and Zoning
- Feasibility of drinking water and sewer services
- Feasibility of electric power services.

The site suitability and construction line permits have already been obtained and the others are being processed. An Environmental Impact Assessment (EIA), which will be reviewed both by the Ministry of the Environment of El Salvador and by the IIC, will be prepared to obtain the environmental permit.

Occupational health and safety, and fire safety: Regarding occupational health and safety, the IIC shall require that all construction contractors be adequately trained in the adoption of suitable measures in this area. Fepade will be required to ensure that contractors at the new building construction site receive the appropriate personal protection gear. Likewise, the IIC will require that preventive safety signs be installed in areas where workers must take specific precautions. The IIC will require that Fepade fence and identify the boundaries of each construction site, thereby restricting access to the work area and to the equipment therein. This will minimize the risk of unauthorized people entering the work site, which, in addition to delaying the work, might pose unnecessary health and safety risks. As to fire safety, the buildings will have fire alarms, smoke detectors, and fire extinguishers. Also, the university will have several brigades to face any bomb threats, natural disasters, and evacuations, and also to provide first aid. The buildings will have emergency exits and access for disabled people. The IIC will require that proper evacuation-route signs be installed and that building materials be fire resistant. Since the building design is at a preliminary stage, the details as to the staff and student safety measures adopted will be reviewed in greater detail once the design is finalized.

El Salvador has a mandatory anti-earthquake building code for all new buildings. Thus, the architectural blueprint will be designed to this code and will be reviewed by the OPAMSS (Oficina de Planificación del Area Metropolitana de San Salvador, or San Salvador Metropolitan Area Planning Office) and the IIC.

Solid waste management: Fepade's residential solid wastes will be collected by the municipal government. The IIC will require that contractors satisfactorily store and dispose of the construction materials and debris. The IIC will also require that any potentially hazardous substances used during the construction work, such as diesel fuel and oil, be stored in secure areas with containment measures to reduce any risk of leaks.

Sewage treatment: Portable toilets will be used during the construction stage. Subsequently, the

campus sewage will be channeled to a septic tank that will be connected to the sewage main underneath El Pedregal Street.

Labor considerations: Fepade has good labor practices. It respects the freedom of association and domestic laws regarding the minimum age for employment.

Control and compliance: The company's monitoring procedures will be described in the Environmental Management Plan to be prepared by Fepade. The company will submit an annual report summarizing the control data regarding sewage discharge, solid waste disposal, fire safety, occupational health and safety, accident reports, and other labor considerations. During the life of the project, and as part of the project supervision process, the IIC will monitor compliance with its own environmental and labor review policy, evaluating the monitoring reports submitted by the company on an annual basis, and periodically visiting the project facilities.