

EMPRESAS ARIZTIA – CHILE

Environmental and Social Action Plan (ESAP)

No.	Action	Deliverable	Compliance Date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts			
1.1	E&S Management System		
1.1.1	Update, at the corporate level, the existing Environmental and Social Management System (ESMS).	Updated ESMS documents.	2 years after signing the loan agreement.
1.1.2	Adopt the updated ESMS.	Evidence of ESMS implementation.	Periodically in the Environmental and Social Compliance Report (ESCR).
1.1.3	Distribute the updated ESMS to stakeholders.	Proof of dissemination.	365 days after signing the loan agreement.
1.1.4	Implement the updated ESMS with contractors.	Evidence of ESMS implementation.	Periodically in the ESCR.
1.2	Policy		
1.2.1	Develop a Community Health, Safety and Security policy applicable to all ARIZTÍA operations.	Community Health, Safety and Security policy document.	120 days after signing the loan agreement.
1.2.2	Distribute the Community Health, Safety and Security policy.	Evidence of distribution.	Periodically in the ESCR.
1.3	Identification of Risks and Impacts		
1.3.1	Prepare a list of all the Company's operating plants and their corresponding regularization status.	List of operating plants and valid RCA.	30 days after signing the loan agreement.
1.3.2	Prepare a schedule for the implementation of Environmental Qualification Resolutions (RCAs, for its Spanish acronym) for all operations that, as on the date of the ESDD, lack an RCA.	Schedule for the implementation of the RCAs.	Periodically in the ESCR.
1.3.3	Regularize before the corresponding environmental authority (SEA) the operation of centers that, as on the date of the ESDD, lack an RCA.	Evidence of compliance with entry into the SEA.	120 days after the first year, after signing of the loan agreement.
1.3.4	Develop a Procedure to identify and assess environmental risks and impacts for those plants that, as on the date of the ESDD, lack one.	Identification of environmental risks and impacts procedure.	365 days after signing the loan agreement.
1.3.5	Adopt the Environmental Risk and Impact Identification Procedure.	Evidence of the adoption of the procedure.	Periodically in the ESCR.
1.3.6	Develop a Procedure to identify and evaluate community risks and impacts at all productive activity levels, to include, at least: i) an assessment of the social risks inherent to its operations; ii) a map including a) the location of all plants b) the access routes, c) the areas of direct influence (ADI) and indirect influence (AII), d) the location of the communities, e) effluent discharge, noise, odor, and air emission generation points, f) the location of sensitive receptors; and iii) the need to regularly update the environmental and social (E&S) risk matrix(es) at least every two years or upon infrastructure expansion, changes in operating procedures, or operating or social contingencies (e.g. environmental accidents, social disturbances, etc.).	Procedure to Identify and Evaluate Community Risks and Impacts.	365 days after signing the loan agreement.
1.3.7	Adopt the Procedure to Identify and Evaluate Community Risks and Impacts.	Evidence of the adoption of the procedure.	Periodically in the ESCR.
1.3.8	Develop, at the corporate level, a procedure to identify and evaluate gender risks based on IDB Invest's Gender Risk Evaluation Tool (GRET), to be applied in all business units and to include, at least: i) OHS risk assessment; ii) mapping of areas vulnerable to the sexual exploitation of women	Procedure to identify and evaluate gender risks.	365 days after signing the loan agreement.

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	and minors in the Project's ADIs; and iii) an analysis of whether the presence of Project employees may increase this risk.		
1.3.9	Adopt the Procedure to identify and evaluate gender risks.	Evidence of the adoption of the procedure.	Periodically in the ESCR.
1.3.10	Update the E&S risk matrix, including the risk of natural and climate disasters at the corporate level, based on the results of the Project's Climate Risk report prepared by IDB Invest.	Updated E&S risk matrices.	1.5 years after signing the loan agreement.
1.4	Management Programs		
1.4.1	Update the Environmental Management Programs in those plants that, as on the date of the ESDD, lack one.	Updated Management Programs	365 days after signing the loan agreement.
1.4.2	Implement the Environmental Management Programs.	Evidence of implementation of the programs	Periodically in the ESCR.
1.4.3	Develop a corporate social management plan based on the of the risk identification and assessment results.	Corporate Social Management Plan.	180 days after signing the loan agreement.
1.4.4	Implement the social management plan at the corporate level.	Evidence of implementation.	Periodically in the ESCR.
1.4.5	Develop an Animal Welfare Program for poultry production in Arica, in line with industry best practices, IFC standards, ¹ and the standards of the World Organization for Animal Health (OIE) for broiler production systems.	Animal Welfare Program.	365 days after signing the loan agreement.
1.4.6	Implement the Animal Welfare Program for poultry production in Arica.	Evidence of implementation.	Periodically in the ESCR.
1.5	Organizational Capacity and Competency		
1.5.1	Assign an officer responsible for community relations management at the Management level, who will lead the development, implementation, and follow-up of social management plans, programs, and procedures.	Head of Community Relations appointment	30 days after signing the loan agreement.
1.6	Emergency Preparedness and Response		
1.6.1	Update the Emergency Plans for all plants and production processes (poultry and agriculture), considering any climate-derived risks that may arise and including action and response protocols.	Updated Emergency Plans.	Periodically in the ESCR.
1.6.2	Prepare specific emergency plans for plants that, as on the date of the ESDD, lack one.	Emergency Plan for the corresponding plants.	365 days after signing the loan agreement.
1.6.3	Implement specific emergency plans for poultry production.	Evidence of adoption.	Periodically in the ESCR.
1.6.4	Update the Emergency Plans to include the community, by: i) regular consultations to identify on- and off-site emergency scenarios; ii) implementing external communication channels; iii) identifying the resources available at the community level, and iv) developing community response systems through early warning and first response training.	Updated Emergency Plans.	365 days after signing the loan agreement..
1.6.5	Adopt the updated Emergency Plans.	Evidence of implementation.	Periodically in the ESCR.
1.7	Monitoring and Review		
1.7.1	Develop a Legal Requirements Compliance Procedure for environmental and occupational health and safety matters that defines: i) responsibilities; and ii) the methodology to identify, access, update, communicate, evaluate, and monitor compliance with the legal requirements applicable to the Company's operations.	Legal Requirements Compliance Procedure.	365 days after signing the loan agreement.
1.7.2	Develop a compliance matrix of all legal obligations in environmental and OHS matters.	Compliance matrix of all legal obligations.	365 days after signing the loan agreement.
1.7.3	Implement the compliance matrix of legal obligations in environmental and OHS matters.	Evidence of implementation.	Periodically in the ESCR.

¹ GOOD PRACTICE NOTE Improving Animal Welfare in Livestock Operations, December 2014

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1.7.4	Develop an internal environmental audit procedure for the agricultural production area.	Internal environmental audit procedure for the agricultural production area.	180 days after signing the loan agreement.
1.7.5	Implement the Internal environmental audit procedure for the agricultural production area.	Evidence of implementation.	Periodically in the ESCR.
1.7.6	Develop a matrix to control and monitor all ARIZTIA companies' social development.	Matrix to control and monitor social development.	365 days after signing the loan agreement.
1.7.7	Implement the Matrix to control and monitor social development.	Evidence of implementation.	Periodically in the ESCR.
1.7.8	Conduct internal or external audits to verify the compliance status with all applicable national environmental, social, and OHS policies at the corporate level, including: i) progress and performance of ESMS actions with regard to the defined key performance indicators (KPIs); and ii) their compliance status with the IDB Invest's Sustainability Policy	Audit reports.	Periodically in the ESCR.
1.7.9	Develop Action Plans based on the results of the internal or external audits that include: i) specific measures to reduce impacts and improve efficiency, and ii) the review of policies, plans, procedures, manuals and guidelines.	Action Plans to fully address the issues raised in the audits.	No later than 30 days after issuing the first audit report.
1.7.10	Implement the Action Plans to fully address the issues raised in the audits.	Evidence of implementation	Periodically in the ESCR.
1.8	Stakeholder Engagement		
1.8.1	Develop, at the corporate level, a stakeholder participation procedure that includes: i) stakeholder mapping; ii) a stakeholder analysis; iii) how stakeholders can participate; iii) information dissemination mechanisms; iv) details on how to record communications; and vi) the manner and frequency of community communications.	Stakeholder participation procedure.	180 days after signing the loan agreement.
1.8.2	Implement the stakeholder participation procedure.	Evidence of implementation.	Periodically in the ESCR.
1.9	External Communication and Grievance Mechanisms		
1.9.1	Prepare an External Grievance Mechanism that includes: i) grievance reception mechanisms; ii) a documentation system to record, follow up on and analyze grievances and solutions; iii) grievance response mechanisms; iv) mechanisms for communication and dissemination to external stakeholders; v) review by upper management to evaluate the effectiveness of the system; vi) formalization of key stakeholder participation in grievance reception and management; vii) training on how to apply the procedure.	External Grievance Mechanism	365 days after signing the loan agreement.
1.9.2	Adopt the Grievance Mechanism.	Report on the operation of the mechanism, including statistics on the grievances received and addressed.	Periodically in the ESCR.
1.9.3	Inform the communities on the progress of commitments undertaken with them.	Minutes of meetings held, or evidence of having sent informational material to the community.	Periodically in the ESCR.
1.9.4	Inform the communities every time there is an important change at the operating level or upon adopting a new process that could generate relevant undesired impacts.	Minutes of meetings held, or evidence of having sent informational material to the community.	Periodically in the ESCR.
PS 2: Labor and Working Conditions			
2.1	Working Conditions		
2.1.1	Refurbish the infrastructure of changing rooms, restrooms and rest areas in poultry production and feed mills (Melipilla and Arica) for employees and workers engaged by third parties.	Evidence of refurbishment	Periodically in the ESCR.

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2.2	Human Resources Policies and Procedures		
2.2.1	Update the Human Resources Policy (“People Policy”) to include guidelines on: equity, anti-harassment and anti-discrimination, based on Chilean legislation, international human rights conventions, and the International Labor Organization (ILO).	Updated Human Resources Policy.	120 days after signing the loan agreement.
2.3	Internal Grievance Mechanism		
2.3.1	Develop an internal grievance mechanism at the corporate level that allows anonymous complaints to be received and that defines: i) how and through which means will grievances be received; ii) how said grievances will be evaluated; iii) how responses are provided and followed up on; iv) how the mechanism is evaluated and improved; and v) how it is communicated and disseminated.	Internal Grievance Mechanism	365 days after signing the loan agreement.
2.3.2	Implement the Internal Grievance Mechanism.	Report on the operation of the mechanism, including statistics on the grievances received and addressed	Periodically in the ESCR.
2.3.3	Implement a Training Program on the use of this mechanism, to be implemented and disseminated to all employees.	Proof of training on the use of the Grievance Mechanism.	Periodically in the ESCR.
2.4	Occupational Health and Safety		
2.4.1	Place industrial safety signage in the Melipilla maneuver yard, the dining area, and the transport service contractor rest area	Evidence of compliance.	60 days after signing the loan agreement.
2.4.2	Keep corporate-level (plants and processes) measurements of occupational risk factors based on Chilean legislation and include the maximum allowable limits established in the World Bank and IFC General Environmental, Health, and Safety Guidelines	Occupational risk factor measurements	Periodically in the ESCR.
2.4.3	Implement, as applicable, the Corrective Action Plans to correct compliance deviations from occupational risk standards.	Implemented Action Plans (as applicable)	Periodically in the ESCR.
PS 3: Resource Efficiency and Pollution Prevention			
3.1	Resource Efficiency		
3.1.1	Implement a Comprehensive Greenhouse Gas Management Program to identify, quantify and report the emissions inventory of each process, including emissions generated by the transport of fowl, finished products, and supplies (raw material for poultry feed).	Annual GHG emissions inventory.	At the end of the first year after signing the loan agreement and thereafter in the ESCR.
3.1.2	Report emissions variations, including an explanation of probable causes.	Variability Report	Periodically in the ESCR.
3.1.3	Incorporate energy efficiency standards in operations consistent with GHG emissions results.	Evidence of the incorporation of energy efficiency standards in operations.	Periodically in the ESCR.
3.1.4	Incorporate water use efficiency standards in slaughter plants.	Evidence of the incorporation of energy efficiency standards to reduce water consumption.	Periodically in the ESCR.
3.2	Pollution Prevention		
3.2.1	Develop a monitoring program (based on the receiving body or expected use of the effluent) for the wastewater discharge from the Wastewater Treatment Plants (WWTPs) in each existing and future	Industrial wastewater discharge monitoring program.	180 days after signing the loan agreement.

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	Project operating center, which must comply with the IFC and World Bank's General and Specific Environmental, Health, and Safety Guidelines. ²		
3.2.2	Implement the industrial wastewater discharge monitoring program.	Evidence of compliance for each operating center.	Periodically in the ESCR.
3.2.3	Prepare a Corrective Action Plan (CAP) for industrial wastewater effluents that, as on the date of the ESDD, failed to comply with national regulations.	Corrective Action Plan.	30 days after signing the loan agreement.
3.2.4	Implement the CAP identified in section 3.2.3.	Evidence of compliance.	No later than 60 days after the latest date agreed upon for the actions contained in the corrective action plan identified in section 3.2.3.
3.2.5	Develop an effluent (industrial wastewater) management procedure for the plants that lacked one at the time of the ESDD.	Effluent (industrial wastewater) Management Procedure.	180 days after signing the loan agreement or no later than 30 days after the latest date agreed upon for the actions contained in the corrective action plan identified in section 3.2.3.
3.2.6	Implement the effluent management procedure (industrial wastewater) in section 3.2.5.	Evidence of compliance.	Periodically in the ESCR.
3.2.7	Prepare a Corrective Action Plan (CAP) for effluents from the domestic wastewater treatment plants (WWTPs) that, as on the date of the ESDD, failed to comply with national regulations.	Corrective Action Plan.	30 days after signing the loan agreement.
3.2.8	Implement the CAP identified in section 3.2.7.	Evidence of compliance	No later than 60 days after the latest date agreed upon for the actions contained in the corrective action plan.
3.2.9	Update the industrial wastewater treatment procedure for the El Paico slaughter plant.	El Paico plant Industrial Wastewater Treatment Procedure	30 days after the start of the expansion operation.
3.2.10	Monitoring of effluent discharge from the El Paico Industrial Wastewater Treatment Plant during expansion start-up.	Effluent monitoring reports	First report 60 days after start-up of the expansion; second report 90 days after start-up of the expansion; third report 120 days after start-up of the expansion.
3.2.11	Monitor boiler emissions from the three processing plants to verify that they comply with the values included in the IFC and World Bank's General Environmental, Health, and Safety Guidelines.	Emissions monitoring report.	Periodically in the ESCR.
3.2.12	Replicate procedures for both hazardous and non-hazardous waste management in the primary production areas (poultry and agriculture) and Arica feed mill (FDA).	Hazardous and non-hazardous waste management procedures.	365 days after signing the loan agreement.
3.2.13	Implement the procedures for waste management.	Evidence of implementation.	Periodically in the ESCR.
PS 4: Community Health, Safety, and Security			
4.1	Infrastructure and Equipment Design and Safety		

² General Environmental, Health, and Safety Guidelines; IFC Guide on Environment, Health and Safety for Water and Sanitation; IFC Guide on Environment, Health and Safety for Livestock Production and Processing (including Swine and Poultry); April, 2007 <https://www.ifc.org/wps/wcm/connect/15fa498d-5d78-4b75-8a98-743467ed78b9/0000199659ESes%2BPoultry%2BProduction-%2Brev%2Bcc.pdf?MOD=AJPERES&CVID=nPtiUF4>; <https://www.ifc.org/wps/wcm/connect/80cd00c5-6c1d-49c8-8c55-98eea3ab4681/0000199659ESes%2BPoultry%2BProcessing%2Brev%2Bcc.pdf?MOD=AJPERES&CVID=nPtiSMf>

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4.1.1	Hire a qualified professional certified by the National Fire Protection Association (NFPA) in the area of life and fire safety systems (L&FS) to certify that L&FS designs comply with NFPA international standards.	Copy of the Contract.	60 days after signing the loan agreement.
4.1.2	Develop a certification schedule for plant L&FS to certify that L&FS designs comply with National Fire Protection Association ("NFPA") international standards, where applicable, and the Life and Fire Safety ("L&FS") requirements of the IFC General Environmental, Health, and Safety Guidelines.	Plant's L&FS certification schedule.	365 days after signing the loan agreement.
4.1.3	Implement the certification schedule for plants L&FS.	L&FS certification of the applicable plants.	No later than 30 days after the latest date agreed upon for the actions contained in the compliance schedule.
4.1.4	Conduct comprehensive ammonia management (diagnosis, review, program, training, drills and communication plan) for slaughter plants that verifies that ammonia handling and management complies with IROHS, the general guidelines of the World Bank Group's General Environmental, Health, and Safety Guidelines and the International Institute of Ammonia Refrigeration (IIAR), and that it includes training, scheduled drills and a proactive and regular communication plan for all collaborators and contractors, in coordination with the Chilean emergency response authorities (Fire Department, Red Cross, Carabineros, Ministry of Health, Ministry of Environment, etc.) and the involvement of communities with a high probability of being affected.	Copy of the Integrated Ammonia Management Safety Plan for Processing Plants.	365 days after the first disbursement.
4.1.5	Implementation of an Integrated Ammonia Management Safety Plan for Processing Plants.	Evidence of implementation.	Periodically in the ESCR.
4.2	Emergency Preparedness and Response		
4.2.1	Map the stakeholders in the areas of direct and indirect influence of ARIZTÍA's operations.	Stakeholders map.	No later than 365 days after signing the loan agreement.
4.2.2	Develop a risk identification and assessment matrix related to ARIZTÍA's operations that may affect the communities.	Community risk identification and assessment matrix.	No later than 365 days after signing the loan agreement.
4.2.3	Develop an annual drill program with the participation of the community.	Annual drill program that includes the community.	No later than 365 days after signing the loan agreement.
4.2.4	Implement the annual drill program with the participation of the community.	Execution reports.	Periodically in the ESCR.
4.2.5	Develop a community communications and information plan on the results of the risk assessments and drills conducted.	Communications Plan.	No later than 365 days after signing the loan agreement.
4.2.6	Implementation of the community communications and information plan.	Execution reports.	Periodically in the ESCR.
4.3	Security Personnel		
4.3.1	Prepare a Security Management Manual that includes professional ethics and human rights issues and incorporates the United Nations Voluntary Principles (VPs) on Security and Human Rights.	Physical Security Management Manual.	270 days after signing the loan agreement.
4.3.2	Implementation of the Security Management Manual.	Implementation reports.	Periodically in the ESCR.
4.3.3	Train security personnel on human rights issues in accordance with the International Finance Corporation's "Good Practice Handbook. Use of Security Forces: Assessing and Managing Risks and Impacts. Guidance for the Private Sector in Emerging Markets."	Evidence of security personnel training.	270 days after signing the loan agreement and thereafter in the ESCR.