

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. Grupo CAFSA is already a client of the IIC and has attended its environmental training workshop in 2007 and 2010. To enable the Borrower to better understand the IIC's requirements, Grupo CAFSA shall be required to keep on its payroll at least one employee who has attended the IIC financial intermediary environmental training workshop. In addition, Grupo CAFSA will be required to complete the process of formalizing its environmental management system by formulating an environmental policy and written procedures approved by Grupo CAFSA's senior management. Each subproject will be subject to an environmental review and must comply with national environmental and labor laws, regulations, and standards, as well as IIC environmental guidelines.