

Environmental Classification and Issues

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 main environmental and labor considerations related to the project are liquid effluent management, air emissions, solid waste, and occupational health and safety.

Alquería has achieved high levels of efficiency and product quality and is certified by Quality Chekd Inc. The company is also working to have all of its facilities ISO 14000 certified by 2010. The company belongs to the Cundinamarca region's dairy industry environmental committee, which seeks to improve the industry's environmental performance.

Air Emissions

The coal-fired boiler at the company's main plant is a source of combustion gases. The steam it generates is used to pasteurize milk and milk beverages and to clean equipment. The particulate matter generated by boiler combustion is reduced by a control system with twenty cyclones that use inertia to precipitate the heaviest particles; the flue gases are released into the atmosphere from a stack. The flue gases from these sources are tested regularly; the concentration values are acceptable and within the range required by local authorities. Gas concentration is measured regularly to ensure that there are no areas with concentrations above the recommended limits.

Liquid Effluents

Wastewater from Alquería's main plant comes chiefly from the industrial process and is piped to a treatment (physical-chemical) plant that decreases the organic load; treated water is used to irrigate landscaped areas. Sewage from the bathrooms and the cafeteria is treated separately in a septic tank system.

The Alquería facilities that discharge industrial wastewater into surface water bodies will make sure that the treatment plants operate correctly in order to ensure compliance with local standards and the guidelines set out in the IFC's Pollution Prevention and Abatement Handbook for the Dairy Industry.

Solid Waste

Most of the process waste is recyclable (for example, recycled Tetra Paks are used as a raw material for making cardboard and synthetic wood). Other recycled waste includes milk bags and jugs, lids, cardboard, scrap metal, and folding paperboard. Refuse is collected in receptacles strategically located throughout the plant, for final disposal by companies engaged for this purpose.

Occupational Health and Safety

The company has an occupational health management system that includes the following programs, among others: new employee induction; monthly inspections of fire extinguishers and other firefighting equipment; emergency brigades; maintenance; and training. Use of personal protective equipment is mandatory. The company provides personal protection equipment and monitors its use, as well as the necessary workplace safety and health training. The company has plans to improve evacuation route signage at its plants.

Labor Considerations

The company adheres to core labor standards for workers' rights, the prohibition of forced labor,

and a child labor code that protects children and sets a minimum working age. There is a collective labor contract in place at the company.

Monitoring and Annual Reporting

Alquería developed an Environmental Management Plan for its main plant in Cajicá. The IIC will require that the company update the plan to include its new facilities (in Bucaramanga, Cali, and Antioquia). The required measures will include (1) a description of the planned environmental and occupational health improvements, including, mainly, monitoring and controlling wastewater and boiler flue stack emissions; (2) a schedule for implementing all of the environmental and safety measures mentioned herein; and (3) the components that are subject to yearly oversight.

Throughout the project, the IIC will ensure compliance with its own environmental and labor review policies, review the monitoring reports that the company submits regularly, and make field visits as part of the project supervision process. The IIC will verify that the company continues with implementation of its Environmental Management Plan that is in line with the IIC's environmental, safety, and labor standards cited herein. The sponsors will submit an annual report summarizing tracking data on air emissions, discharge of liquid effluents, solid and hazardous waste management, occupational safety and hygiene, and labor issues.