



Strategic Planning for Environmental Aspects of Operations in Latin America from Entry to Exit

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Technical Viewpoints in a Legal World: Adventures in Latin America

Gino Bianchi-Mosquera
Principal

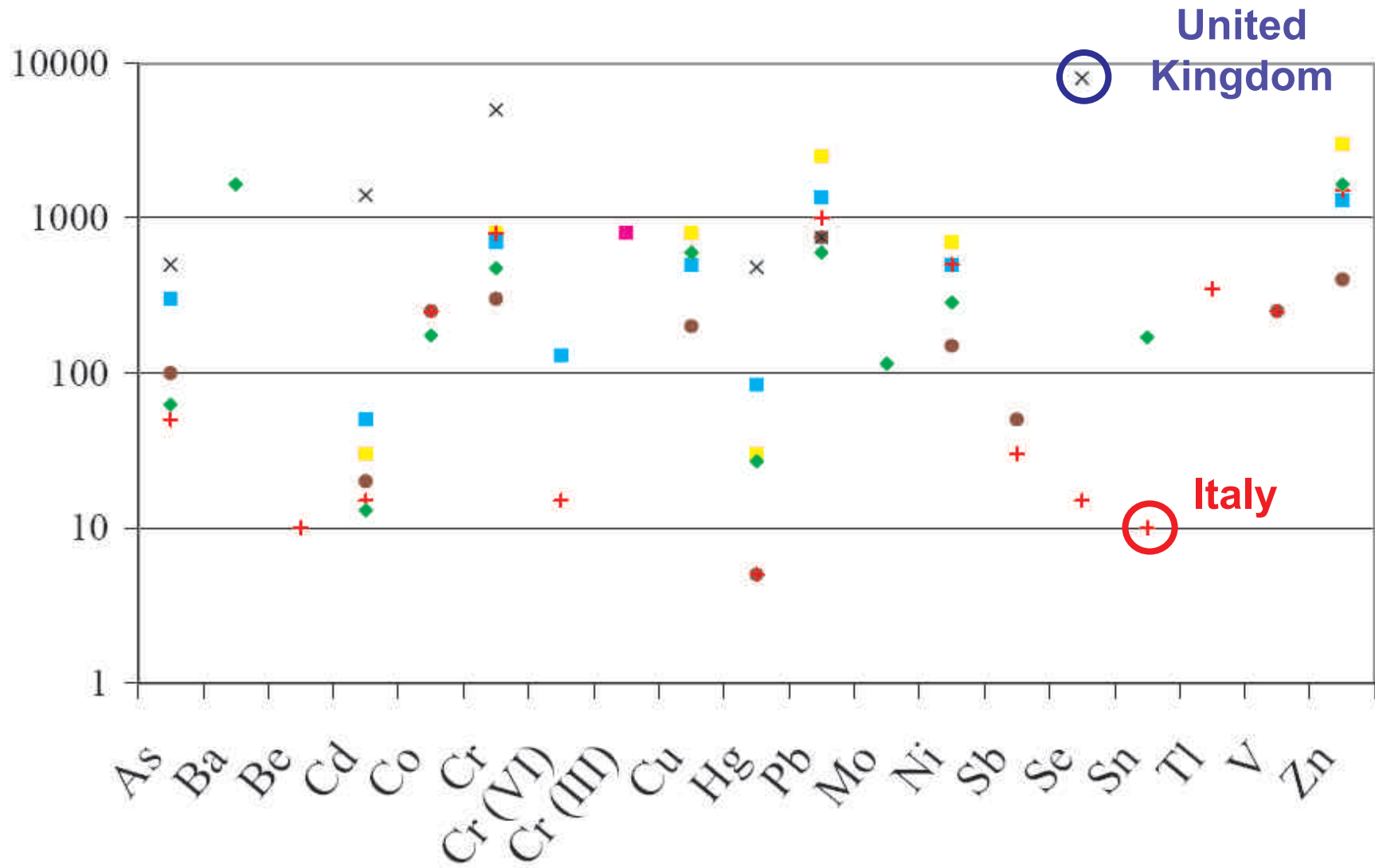
- How clean is clean?
- Data quality
- Court-appointed technical experts (the “perito”)
- Social/political externalities

HOW CLEAN IS CLEAN?



- It's not about how much you can cleanup, it's about how much you should cleanup.

EU CLEANUP STANDARDS (INDUSTRIAL)



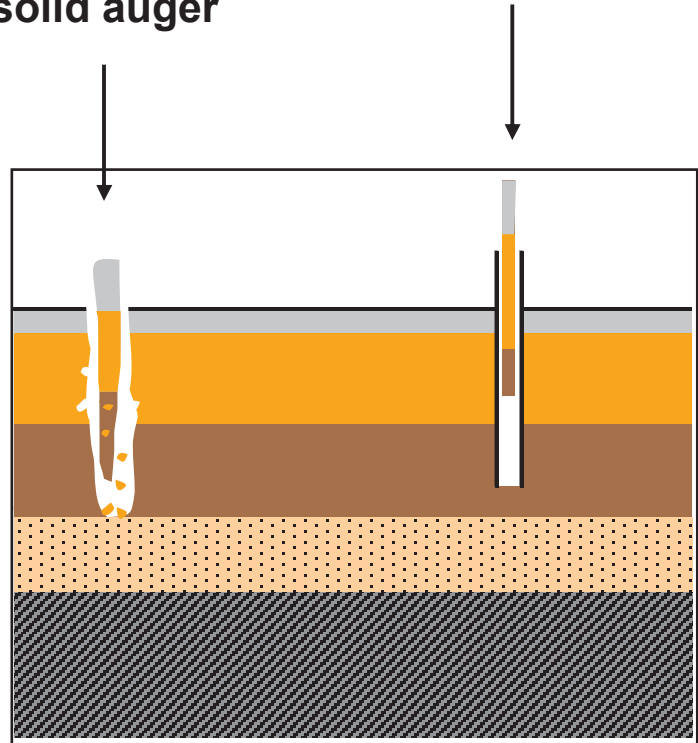
DATA QUALITY



Hand auger/
solid auger



GeoProbe





SOCIAL / POLITICAL EXTERNALITIES



- NGOs
- Media

**ENVIRONMENTAL MANAGEMENT,
A TODAY'S BUSINESS CHALLENGE**

Anabela Aldaz

Houston, February 2010

GUYER & REGULES

ENVIRONMENTAL ISSUES TO TAKE INTO ACCOUNT

- **Depletion of the stratospheric ozone layer**
- **Pollution increment**
- **Climate change**
- **Land degradation**
- **Loss of biodiversity**

ENVIRONMENT REQUIRES PROTECTION AND CARE

Every organization shall have an overall management system.

This must be supported by a strategic and operational management of human resources, financial, commercial, of the information, goods supply, technology, industrial security, quality, and of course, ENVIRONMENT.

ADEQUATE ENVIRONMENTAL MANAGEMENT

Environmental Management includes all the efforts and actions that inside an organization must be performed in all of its processes, in order to materialize the environmental policy, within the planning, implementation and environmental control framework.

The activities within the plan's scope shall be planned with a strategic point of view and shall include a monitoring and evaluation plan, designed in order to maintain continuous improvement of the environment.

Management Standards ISO 14001 (2004).

- **The Uruguayan case highlights the results achieved in environmental issues, which are based on a wide environmental legislation that comprises the most important environmental aspects.**
- **Within the different environmental managements plans, in Uruguay the most used is the Management Standards ISO 14001 (2004).**

Management Standards ISO 14001 (Cont.).

- **1. May be applicable to any company, with the appropriate adjustments.**
- **2. Requires a diagnosis in order to know the impacts generated by the company.**
- **3. Uses indicators as a key factor for the diagnosis and environmental management developed by the organization.**
- **4. Implements plans in order to improve environmental performance**

PRINCIPLES THAT THE ENVIRONMENTAL MANAGEMENT PROCEDURE MUST FULFILL

- 1. Adapting to legal and regulatory requirements**
- 2. Developing managers and employees commitment**
- 3. Providing appropriate and sufficient resources**
- 4. Encouraging suppliers and contractors to implement an environmental management system.**
- 5. Reducing and using effluents.**
- 6. Establishing environmental channels and media.**
- 7. Integrating into general management system.**

CONCLUSIONS

In Uruguay the environmental management has been improved by means of the implementation of a strategic approach by the Companies.

The stated principles of the environmental management must be taken into account in order to orientate the mitigation and elimination of the negative environmental impacts.



Small details, great values.

GUYER & REGULES

A g r e a t f i r m



**Strategic Planning for
Environmental Aspects of
Operations in Brazil**
(February 26, 2010)

Fernando Tabet

Knowing the Applicable Legal Framework

- Brazilian environmental legislation is comprised by a wide set of stringent laws and regulations at the federal, state and local levels
- The *polluter*, as an individual or legal entity, is subject to administrative and criminal sanctions, in addition to the obligation to repair or indemnify environmental damages
- Enforcement authorities include environmental agencies at the three levels of public administration (federal, state and local) and the Public Prosecution Office (federal and state levels)

Installing Activities: environmental licensing

- Potential Problems:
 - authority conflicts among environmental agencies
 - conflicts with local communities (public hearings)
 - imposition of unreasonable compensatory measures
 - interference of the Public Prosecution Office (litigation)
- Recommendations:
 - ✓ prior consultations to environmental agencies
 - ✓ prior engagement with all stakeholders (“social license”)
 - ✓ adequate scope and accuracy of EIAs
 - ✓ adequate communication strategy

Operating Activities: environmental standards

- Potential Problems:

- non-compliance resulting in environmental assessments (administrative penalties) and criminal liabilities
- environmental damages resulting in administrative, criminal and civil liabilities

- Recommendations:

- ✓ knowledge and monitoring of applicable environmental standards
- ✓ private (internal or independent) environmental audits
 - ➔ preventive and corrective actions
- ✓ if a damage has occurred: emergency mitigation actions; communication/cooperation with public authorities; remediation plan; environmental adjustment agreement

Closing Activities: environmental governance

- Potential Problems:

- brownfields
- degraded areas
- remaining waste



potential liabilities

- Recommendations:

- ✓ management (investigation, risk assessment, remediation and monitoring) of contaminated sites
- ✓ gradual recovery/revegetation of degraded areas (Recovery Plan)
- ✓ waste management

Corporate Transactions: environmental succession

- Potential Problems:
 - succession of liabilities
 - buyer as new stakeholder: threat against existing social license
- Recommendations:
 - ✓ environmental due diligence + site assessment
 - ✓ adjustment agreements with environmental agencies and Public Prosecution
 - ✓ contractual limitations of liabilities (effects restricted to the contracting parties)
 - ✓ social engagement plan



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