

Information Summary for the Public

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| Host Country: | Argentina |
| Name of Borrower: | Argentina Olive Ranch S.A. |
| U.S. Sponsor: | The Jomada Trust, an Illinois trust |
| Foreign Sponsor: | None |
| Project Description: | Infrastructure development to include electrification, irrigation, land preparation and cultivation of an approximately 2,500 acre olive orchard, and construction and operation of an olive oil processing facility in the Chucuma Valley in the province of San Juan, Argentina. |
| Total Project Cost: | \$22,463,058 |
| Proposed OPIC Loan: | \$10,000,000 |
| Developmental Effects: | This project will have a positive developmental impact on the host country. The project is located in a rural area of Argentina and will create local employment and training opportunities. Local procurement and ownership will promote local private sector development. AOR will offer employees a number of benefits and will produce positive macroeconomic impacts in Argentina. Additionally, AOR will set aside more than half of its property for environmental preservation as well as economic and social development. |
| Environment: | Development and operation of a large scale plantation crop production and olive oil production facilities may be screened as Category A or B project under OPIC's environmental and social guidelines depending on the nature and severity of potential impacts. This Project has been screened as Category B because its impacts are localized to 2,500 acres of the farm |

property, are capable of mitigation, and do not require groundwater abstraction of amounts greater than 10 million cubic meters of water annually. The major environmental and social issues of concern include water management; impacts to biodiversity; soil erosion and maintenance; the potential for air emissions and waste water discharges; eutrophication of aquatic environments; management of olive oil production wastes; management of chemical fertilizers and pesticides; the potential for oil spills; hazards to worker safety; and community health and safety. The Project will not result in adverse impacts on protected areas or critical habitats, involve physical or economic displacement, nor have impacts to indigenous peoples.

Applicable Standards. The Project will be required to operate the plantation and associated oil processing facility in accordance with (i) applicable provisions of the April 30, 2007 IFC General Environmental Health and Safety Guidelines; (ii) applicable provisions of the April 30, 2007 IFC Environmental Health and Safety Guidelines for Plantation Crop Production; (iii) applicable provisions of the April 30, 2007 IFC Environmental Health and Safety Guidelines for Vegetable Oil Processing; and (iv) all applicable provincial and national host country laws and regulations regarding agriculture, agrochemicals, environmental, worker health and safety. Because the application for OPIC support was received prior to August 26, 2010 OPIC's new environmental and social policies are not applicable to the project

Impacts and Mitigation Measures.

Conversion of 2,500 acres of land to an olive tree plantation will result in localized impacts to biodiversity, soil ecosystems, soil stability and erosion. These impacts will be mitigated through proper management in keeping with international standards and best practices, maintaining native vegetation around the trees with mechanical trimmers and managing non-plantation lands for conservation. Additionally, the Project will manage approximately 30,000 acres of the 55,000 acre ranch as a conservation area to mitigate biodiversity and ecological impacts of the olive plantation. The Project operations will require the use of pesticides and fertilizers, but the Project intends to eventually move toward full organic farming methods after the trees are established. In the early stages, the Project impacts from pesticides and fertilizers will be limited through the use of nationally approved chemicals, following international standards and implementing an Integrated Pest Management Strategy.

The project's direct, annual emissions of greenhouse gases are estimated to be less than 1,000 tons of CO_{2eq} from farm machinery and generators.

The Project will be required to develop and implement; a Biodiversity Management Plan; an Integrated Pest Management Plan and submit Annual Environmental Reports to OPIC documenting environmental, health and safety performance. In addition, groundwater withdrawal for plantation operations developed with OPIC funding shall not exceed 10 million cubic meters per year and will be documented in the Annual Environmental Report.

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| <p>U.S. Economic Impact:</p> | <p>The industry analysis reveals that this project will not have a negative impact on U.S. production or employment because the U.S. produces a minute amount of the world's supply of olive oil and reveals much room for growth in U.S. olive oil consumption, which is almost entirely dependent on imports. There is some initial U.S. procurement associated with this project, and the project is expected to have a slightly positive impact on U.S. employment. The project will have a negative five-year U.S. balance of payments impact.</p> |
| <p>Workers Rights:</p> | <p>OPIC's statutorily required standard worker rights language has been supplemented with provisions concerning the right of association, organization, and collective bargaining; minimum age; minimum wage; hours of work; timely payment of wages; and hazardous working conditions. These requirements will be applied to all workers on the Project.</p> |
| <p>Human Rights:</p> | <p>In consultation with the Department of State, the Project received a Human Rights clearance on July 20, 2010.</p> |