

TABLE OF CONTENTS

11.0	CONCLUSIONS AND RECOMMENDATIONS.....	11-1
11.1	Conclusions	11-1
11.2	Recommendations.....	11-3

11.0 CONCLUSIONS AND RECOMMENDATIONS

After analyzing the activities related to the Panama Canal Expansion Project-Third Set of Locks that were described in the EIS, the following conclusions and recommendations are presented:

11.1 Conclusions

- The Project is considered socially and environmentally feasible, provided that the prevention, mitigation, monitoring, and compensation measures identified in the Environmental Management Plan are applied.
- The proposed Project is the extension of an existing activity being conducted for over 90 years, and it will be developed in an area designated by law for the expansion of the Canal.
- The Project Specific Study Area has been altered historically since the beginning of the Colonial Period and, particularly, since the construction of the Canal at the beginning of the Twentieth Century. It is a land and water transportation corridor of worldwide importance; consequently, the Project is consistent with the use given to the area, historically.
- The Project Direct Impact Area is located mainly within the area for exclusive use of the ACP, and includes most of the areas that are subject to the historic activities of construction, operation, and maintenance of the Canal. Therefore, the impacts that will be caused in these areas tend to be of low to moderate significance.
- The water quality of the Gatun Lake is typical of tropical freshwater lakes, and will maintain its fresh water condition with the existing three-level locks system. According to the studies and simulations performed, the addition of the Third Set of Locks will not affect the water quality of the lake.
- The restrictions imposed by the Canal operation to settlements and activities in the area of exclusive use of the ACP have contributed to the conservation of the natural vegetation that thrived after the construction activities and have allowed the growth of

intermediate secondary forests and some fragments of mature secondary forests of regional importance as probable biological corridors. This condition will be preserved in the areas adjacent to the new locks.

- The forest area of secondary-growth that will be impacted by the footprint of the Project represents approximately 0.35% of the forest cover area in the General Study Area, and 1.04% of the aggregate cover area of the Specific Study and Direct Impact Areas. Besides, the footprint made by the Project will not impact the connectivity of the forests or the Protected Areas of the Specific Study Area. As part of its environmental commitment, the Project will reforest an area twice as large as the forest area that was cleared for the construction of the Project.
- The few endemic species reported in the Direct Impact Area of the Project are widely dispersed throughout the country; therefore, it is not anticipated that the populations will be affected. None of the species protected by law and those included on international lists of threatened species has populations of national or global importance in the Indirect Impact Area of the Project.
- The Project will significantly increase revenue in the country, both from the tolls as well as from the positive effect on the overall growth of the economy, and the direct and indirect creation of jobs.
- The expansion of the Panama Canal will heighten the competitiveness of the route in world maritime transportation.
- The project as a whole will be developed in areas of ACP exclusive use. Nevertheless, in these areas there are some structures and houses belonging to or occupied by third parties (nine houses and 57 structures of a different type on the banks of Gatun Lake, four semi-detached houses in the former Gatun village, and six constructions in the village of Cocoli.
- The Citizen Participation Plan implemented for the Project included a survey of the different interest groups (communities, organizations, and institutions) in the Socioeconomic Study Area. The results showed that the population was supportive and their opinions were favorable to the Project, as was evidenced by the 2006 Referendum on the Expansion Project. In addition, two public forums will take place in the cities of

Panama and Colon, where the EIS will be presented, and comments and suggestions will be received from the population. Also, Community Relations Offices will be established in the cities of Panama and Colon. The Environmental Impact Study includes an Environmental Management Plan, which includes a mitigation program to minimize any adverse impacts and enhance the positive impacts.

- The Project will follow the Equator Principles and the Performance Standard on Social and Environmental Sustainability of the International Finance Corporation (IFC), which are part of the general commitment of ACP to the protection of the environment, while ensuring that the Project will be beneficial to all.

11.2 Recommendations

- The Project must implement the Environmental Management Plan and each of its programs and plans, including the Monitoring and Follow-up Plan during the construction and operation of the Project, to ensure that all impacts are controlled and the actions contemplated in the Environmental Management Plan are executed. In this regard, it is of utmost importance to include in the contracts that are signed by the contractors responsible for the works, the environmental obligations with which they must comply, as well as the follow-up mechanisms and/or fines the ACP will implement to guarantee that all Contractors comply with these obligations.
- Before the beginning of the construction of a specific component of the Canal Expansion Project, the ACP must ensure that Contractors submit a detailed plan of the installations they intend to develop to disclose the specific activities that might produce negative environmental impacts. This Plan must specify the spatial distribution of their facilities and indicate the location of material storage and disposal sites. In addition, Contractors must update the Disposal Management Plan contained in this study so that it will conform specifically to the activities to be carried out. The detailed Plan submitted by each Contractor shall be thoroughly reviewed to verify that the techniques and procedures used are in compliance with the measures proposed in the EMP, and that additional environmental impacts are not caused, or to propose complementary mitigation and environmental management measures if impact is inevitable.

- The ACP must designate an independent expert to contribute to the monitoring and reporting process throughout the life of the Project. The reports must include information to the interested parties and the general public on the progress of the Project, and its social and environmental development during its construction and implementation. This information shall be of public domain, and the ACP shall ensure its timely disclosure through various media, as they afford the general public the opportunity to request clarifications or complementary information.