

This Project has been classified as a Category A project, pursuant to the IDB Invest Environmental and Social Sustainability Policy, since it could have the following adverse environmental and social impacts: (i) disturbance of natural and critical habitats, especially forest habitats in the buffer zone of a protected area because of need to access and build Project structures; (ii) erosion and soil washing, due to the construction of the accessway to the conduction tunnel, localized works for installing the cable car towers, change in land use/clearing needed for establishing the workers' camp, water intakes and material deposits; (iii) generation of dust and changes in air quality during road improvement works and associated accesses to the transmission line; (iv) disruptions to vehicles and traffic, especially on secondary roads, and potential difficulties in access to or temporary impact on economic activities in neighboring communities or towns; (v) increase in the level of occupational health and safety risks for workers, especially at high elevations/forest areas; (vi) potential water and soil contamination by hazardous waste; (vii) possible impacts on sensitive species (CR and EN listed amphibians and reptiles); (viii) possible economic displacement of and compensation for subsistence agriculture/cattle raising in the project's area of influence, and (ix) noise and introduction of vibrations. Most of these impacts are estimated to be moderate and impacts to biodiversity are currently being evaluated but are preliminarily considered to be moderate to high.