

In accordance with the IDB Invest's Environmental and Social Sustainability Policy, the project has been classified as a Category "A" project because it could have the following adverse environmental impacts: (i) Deterioration in air quality as a result of construction activities and, thereafter, because of increased traffic; (ii) erosion due to planned movements of earth; (iii) a rise in noise levels and vibrations as a result of the use of heavy machinery, and subsequently, of increased traffic; (iv) loss in vegetation and forest cover with potential impacts on wildlife, flora, and natural habitats; (v) deterioration of water quality and flow, and of local hydrology; and (vi) increased risk of soil contamination by hazardous substances that will be used during project execution.

At a social level, the main adverse impacts the project might cause are associated with: (i) A potential increase in spontaneous migration from other parts of the country to the area as people seek out better economic and work opportunities; (ii) greater demand for basic health and sanitation services due to potential increases in migration to the region; (iii) a rise in land values near the project, leading to possible speculation in the real estate market; (iv) limited coordination between the regional and central management of aspects related to the execution, and social monitoring inherent to the provision of the proposed road infrastructure; (v) interruption or diversion of vehicular traffic; (vi) a higher risk of traffic accidents as a result of increased traffic flows; (vii) greater risk to health, especially in the construction of tunnels and other structures at heights (bridges and viaducts); (viii) potential increase in the risk of trampling native and domestic wildlife; (ix) physical or economic displacement of the population as a result of release of the right of way; and (x) possible changes to the living conditions for the population due to the galvanization of the local economy.

According to Certification No. 294 of March 28, 2016 from the Ministry of the Interior and Justice, no indigenous, Palenquero, Raizal, Rom, or afro-descendent communities that might be affected by the project are located in the project's area of influence, hence it was not necessary to institute a prior consultation process. This notwithstanding, if evidence of the presence of one of these communities should appear while the works are being executed, that process would be activated.

Pursuant to Colombian law, with the exception of UF1, the operation and maintenance segment of UF2, and the rehabilitation being planned under UF9, whose only environmental requirement is approval of the respective Plans for Adaptation to Environmental Guidelines (Planes de Adaptación a la Guía Ambiental - PAGA), each of the remaining functional units requires an Environmental Impact Assessment (EIA) that must be submitted to the National Environmental Permitting Authority (Autoridad Nacional de Licencias Ambientales - ANLA) as a condition precedent to receiving the corresponding environmental permit. Of these environmental requirements, the project has thus far secured approval of the required PAGAs and, via ANLA Resolution 00763 of June 30, 2017, the environmental permits for the rest of the UFs.

The approved EIA and PAGAs include several plans and programs for managing adverse impacts, including the: (i) Environmental and Social Management Plan (ESMP) for the biotic, abiotic, and social environments; (ii) follow-up and monitoring plan; (iii) risk management plan; (iv) decommissioning and abandonment plan; (v) one percent investment plan; (vi) compensation plan for loss of biodiversity; and (v) waste management plan, among the most important.

IDB Invest intends to hire an Independent Environmental and Social Consultant to assist in the Environmental and Social Due Diligence (ESDD) process, assess the likely environmental risks, confirm the project's categorization, evaluate the management plans for mitigating risks, and define a project Environmental and Social Action Plan (ESAP). During the ESDD, IDB Invest will visit the project site and assess the environmental, social, and health and safety system to be adopted, including the associated plans and procedures; IDB Invest will also inspect the camp sites and industrial areas, verify the scope of the public consultation process, and evaluate the baseline

information and social and labor aspects of the project.

An Environmental and Social Review Summary (ESRS) will be prepared and published on this website once the ESDD process has concluded.

Contact Information

For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see Investment Summary tab), or IDB Invest using the email requestinformation@idbinvest.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or calling +1(202) 623-3952.