

Classification and Environmental and Social Strategy (ESS) Buenaventura - Loboguerrero - Buga road corridor - COLOMBIA

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1. Project Scope and Objective, and IDB Invest Participation

The Buenaventura - Loboguerrero - Buga road corridor (the "Project") is an initiative of the fifth generation (5G) concession program led by the Government of Colombia, through its National Infrastructure Agency ("ANI"). This project was awarded to the company Unión Vial Camino del Pacífico, S.A.S (the "Concessionaire" or the "Client"), which is 99% owned by Sacyr Concesiones Colombia S.A.S., a subsidiary of Sacyr Concesiones S.L., and 1% by Sacyr Concesiones Participadas I. SL.

The Project involves the financing, construction, rehabilitation, improvement, commissioning, operation and maintenance of the Buenaventura - Loboguerrero - Buga road corridor (the "Corridor") spanning 128 kilometers (km), located in Valle del Cauca Department, Colombia.

For construction purposes, the Project was divided into twenty-two stretches or Functional Units (UF, in Spanish). UFO, which comprises the operation and maintenance of the entire 128 km Buenaventura -Loboguerrero - Buga road corridor; UF1, covering 15 km, includes the rehabilitation and periodic maintenance of the road along with the implementation of new signage; UF2, covering 6.5 km, involves the construction of a second carriageway and improvements to the existing one, in addition to an interchange; UF3 includes the construction of a parking area, a service area, and an operations control center; UF4, covering 3.5 km, comprises the construction of a second carriageway and improvement of the existing one; UF5, covering 5.17 km, involves the construction of a second carriageway and improvements, as well as the construction of intersections in Citronela and Aguadulce; UF6, covering 19.31 km, provides for commissioning and periodic maintenance of the dual carriageway; UF7, covering 8.21 km, includes the construction of the Cisneros II toll plaza and the commissioning of the carriageway; UF8, covering 0.96 km, involves the construction of a second carriageway and a tunnel; UF9, covering 3.16 km, involves the construction of a second carriageway, improvements to the existing carriageway, and a passage through Cisneros, apart from the construction of a second tunnel; UF10 and UF11, each 12.16 km long, involve the commissioning and periodic maintenance of the left and right carriageways, respectively; UF12, covering 4 km, includes the construction of the second carriageway, improvements to the existing one, the construction of the Loboguerrero interchange, and completion of bridges and viaducts; UF13, covering 2 km, involves the construction of a second carriageway and the commissioning of bridges; UF14, covering 3.15 km, includes the construction of a second carriageway, improvements to the carriageway, and the commissioning of viaducts; UF15, covering 1.85 km, foresees the construction of a second carriageway, improvement of the existing one, and the construction of the Zabaletas interchange; UF16 and UF17, each spanning 14 km, include commissioning and maintenance of the carriageway; UF18, covering 7.84 km, involves commissioning and maintenance of the dual carriageway; UF19 and UF20, covering 3.17 km and 2 km respectively, include the construction of a second carriageway and a bike lane; and finally, UF21, covering 2.38 km, involves the construction of a second carriageway and bike lane, as well as improvements to the existing carriageway.

The Project Preconstruction Phase, which includes, among other activities, the preparation of technical studies and final designs, the operation and maintenance of existing roads, as well as the processing and obtaining of permits, licenses, authorizations and concessions required from state and environmental authorities to start the construction, began in early 2023. The Project Construction Phase, which started in August 2024, will last about 5 years, while the Operation and Maintenance Phase will last 29 years from the start date of the concession.

2. Classification and Environmental and Social Strategy

The Project has been preliminarily classified as Category A, in accordance with IDB Invest's Environmental and Social Sustainability Policy ("ESSP"), due to the potential generation of the following environmental and social impacts and risks: i) risks to the health and safety of workers; ii) generation of dust, vibrations and gas emissions; iii) increased noise levels due to the use of heavy machinery and more vehicular traffic; iv) generation of solid waste (excavated material, pavement waste, debris, paper, wood, metal remnants, rags soaked in grease, etc.) and liquid waste during the construction phase; v) potential soil contamination; vi) removal of vegetation cover; vii) impacts on wildlife; viii) potential social risks arising from the temporary influx of workers and safety risks for communities due to increased heavy machinery traffic during the construction phase; and ix) physical or economic displacement of the population due to the road easement release or creation. These impacts are deemed to have medium-high to high importance.

To date, the Project has conducted environmental impact assessments ("EIA") and prepared environmental guide adaptation programs for all Functional Units of the Project. The National Environmental Licensing Agency ("ANLA") has granted nine environmental licenses to the Project, and although new licenses are not legally required, the Concessionaire is: i) managing modifications to 5 of the 9 existing licenses related to works in UF5, UF7, UF9, UF12, UF13, UF14, and UF15; and ii) completing an EIA to consider some of the modifications planned in UF8 and UF9.

The environmental and social due diligence ("ESDD") process, which will be supported by an independent environmental consultant, will include interviews with executives from key Concessionaire areas (environmental, social, and occupational health and safety areas), will analyze the environmental and social management system ("ESMS"), including the related plans and procedures, and will also assess any Project social and labor information, among other issues. As a result of the ESDD, IDB Invest will confirm the Project's categorization, identify any potential compliance gaps regarding its ESSP, and define an environmental and social action plan ("ESAP") to bridge such gaps.

Based on the information received and reviewed so far the Performance Standards (PS) that the Project is likely to trigger are: PS1: Assessment and Management of Environmental and Social Risks and Impacts; PS2: Labor and Working Conditions; PS3: Resource Efficiency and Pollution Prevention; PS4: Community Health, Safety and Security; PS5: Land Acquisition and Involuntary Resettlement; PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources; PS7: Indigenous People; and PS8: Cultural Heritage. The final determination of the PS triggered by the Project will be done by the end of the ESDD.

Once the ESDD is completed, an Environmental and Social Review Summary ("ESR"S) and the relevant ESAP will be prepared and published on this website.

3. Additional Information

For questions about the Project, please contact Concesionaria Unión Vial Camino del Pacífico S.A.S:

Name:	Miguel Ángel Acosta Osío
Position:	Legal representative
Telephone number:	+57 321 974 0984 E-
mail:	<u>maacostao@sacyr.com</u>

For questions and comments to IDB Invest, please contact:

Name:	IDB Invest's Communications Group
E-mail:	requestforinformation@idbinvest.otg

In addition, and as a last resort, affected communities can access IDB Invest's Independent Consultation and Investigation Mechanism (ICIM) as follows:

Telephone number:	+1 (202) 623-3952
Fax number:	+1 (202) 312-4057
Address:	1300 New York Ave. NW Washington, DC. USA. 20577
E-mail:	mecanismo@iadb.org or mailto:MICI@iadb.org