

**INTEGRATED SAFEGUARDS DATA SHEET**  
**CONCEPT STAGE**

Report No.: 94978

Date ISDS Prepared/Updated: March 12, 2015

**I. BASIC INFORMATION**

**A. Basic Project Data**

<b>Country:</b>	Republic of Colombia	<b>Project ID:</b> P106013	
<b>Project Name:</b>	Implementation of the Extractive Industries Transparency Initiative Project		
<b>Task Team Leader:</b>	Daniele La Porta		
<b>Estimated Date of Approval:</b>	March 20, 2015		
<b>Managing Unit:</b>	GEEDR	<b>Lending Instrument:</b>	Grant.
<b>Sector(s):</b>	Energy and Extractive Industries		
<b>Theme(s):</b>	Transparency and Accountability		
Fragile and/or Capacity Constraints [   ]			
<b>Financing (in USD Million)</b>			
Total Project Cost:	USD 1,402,000	Total Bank Financing:	<b>USD 500,000</b>
Total Co-financing:	USD 402,000	Financing Gap:	<b>USD 500,000</b>
<b>Financing Source</b>			<b>Amount</b>
BORROWER/RECIPIENT			As of 2016
Total			USD 1,402,000
<b>Environmental Category</b>	C		
<b>Is this a Repeater project?</b>	No		
<b>Is this a Transferred project?</b>	No		

**B. Project Objectives**

The proposed project development objective is to support the development, implementation and institutionalization of EITI in the country and enable Colombia to become EITI compliant.

**C. Project Description**

The proposed technical assistance will help Government of Colombia implement the activities programmed under the Extractive Initiative Transparency Initiative (EITI) Action Plan and,

more specifically to:

- a. *Preparation and publication of the first and second EITI Reports covering the years 2013 and 2014.* An Independent Administrator (usually an auditing company) will be hired to coordinate with the CTN the scope of the EITI Reports, including contextual information about the oil, gas and mining, the materiality criteria for companies and government agencies that will report and the materiality of payments and receipts to be reconciled. The Independent Administrator will also agree with the CTN on the data templates for reporting payments and receipts. The report will explain any discrepancies found after the reconciliation. Training activities for the CTN and interested stakeholders will be programmed in the course of data gathering as well as formal training of the CTN.
- b. *Study to assess company payments to sub-national governments and of payments for the transportation of oil, gas and minerals to government entities and state-owned enterprises.* To the extent that these revenues are material, the study will recommend an action plan to disclose them in future EITI Reports. The study will help understand the types of transportation arrangements and types of payments and rates, and the materiality of these payments. The study will provide materiality definitions and recommendations to include these payments in future EITI Reports. The disclosure of sub-national payments and of transportation payments will enhance the accountability of the sectors. Sensitization of relevant municipalities will be required
- c. *Promote the participation in EITI of medium and small-scale mining (MSM) companies.* A study will be conducted to identify the 20 percent of the mining operators (medium and small miners) that contribute to sector revenues; understand their contribution to the economy in terms of employment and revenues, the types of minerals exploited, and the main municipalities where they operate. The study will include a review of legal framework applicable to MSM, and will suggest a strategy to include these companies in EITI starting with the second Report.
- d. *Implementation of a communication strategy.* This includes disseminating the information produced by the EITI Report and promoting public debate at the national and regional levels around its findings and relevant extractive industry issues. A communication strategy will be prepared and a communication plan implemented. The strategy contemplates establishing a permanent communication portal involving government agencies and is interactive with the public.
- e. *Ensure that the adequate structure, administrative capacity and resources are in place to enable the National Tripartite Committee to implement the Action Plan.*

Given that EITI trust fund is expected to close on December 31, 2015, it can realistically not support all the activities planned by the Government of Colombia, as per the work plan approved by the National Tripartite Committee for the period 2015-2017. The activities, which are neither financed through the proposed EITI grant nor by the Government of Colombia, will be financed by the follow up trust fund – the Extractives Global Programmatic Support (EGPS)

– which is being currently developed - if fund availability is confirmed for the proposed project, when the trust fund will become effective.

**D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

The project is a technical assistance for the Republic of Colombia. It is meant to enhance transparency and accountability in the oil, gas and mining sectors. There are no physical investments planned and the grant will not finance any site specific interventions.

**E. Borrowers Institutional Capacity for Safeguard Management**

Not relevant for this project.

**F. Environmental and Social Safeguards Specialists on the Team**

n/a

**II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered ?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	No	The project will provide technical assistance to support the implementation and institutionalization of EITI in Colombia. The studies to be financed will only make recommendations related to improving transparency and reporting on financial information and will not make recommendations that are related to investments for specific sites. Therefore, no adverse social or environmental impacts are expected and this project was assigned an Environmental Risk Category C.
Natural Habitats OP/BP 4.04	No	This policy is not triggered as project activities are not expected to have any impacts on natural habitats.
Forests OP/BP 4.36	No	This policy is not triggered as project activities are not expected to have any impacts on the management of forest.
Pest Management OP 4.09	No	This policy is not triggered as the project will not finance the procurement or use of pesticides.
Physical Cultural Resources OP/BP 4.11	No	This policy is not triggered as project activities are not expected to have any impact on physical cultural resources.

Indigenous Peoples OP/BP 4.10	No	This policy is not triggered given that project activities are not expected to cause any impacts on Indigenous Peoples.
Involuntary Resettlement OP/BP 4.12	No	This policy is not triggered given that project activities are not expected to cause any physical or economic displacement, nor any restriction in access to natural resources.
Safety of Dams OP/BP 4.37	No	This policy is not triggered given the project is not financing any dam construction or rehabilitation nor any activities that rely on the operations of existing dams.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered given the project is not financing any activities in international waterways as defined by the policy.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered given the project is not financing any activities in disputed areas as defined by the policy.

### III. SAFEGUARD PREPARATION PLAN

#### A. Will an Appraisal stage ISDS be required? No

- i. **Explanation.** This grant concerns building client capacity. It is not expected to have potential adverse environmental and social implications or risks, and therefore no safeguard policies are triggered. This grant involves reporting on revenues and payments regarding the Colombian oil, gas and mining sectors and pure accounting and disclosure of payments and revenue data, which does not trigger any safeguards. Additionally, the grant will not finance any physical interventions or propose any site specific investments. Therefore the proposed project classification is Category C and will not require an appraisal-stage ISDS.
- ii. If Yes, tentative target for preparing the appraisal stage ISDS

#### B. Time frame for launching and completing the safeguard-related studies that may be needed.

No safeguard related studies are needed.

#### C. The specific studies, their timing and disclosure should be documented in the appraisal-stage ISDS.

#### IV. APPROVALS

Task Team Leader:	Name: Daniele La Porta	
<i>Approved By:</i>		
Regional Safeguards Advisor:	Glen Morgan., Regional Safeguard Advisor for LAC Region	Date: March 11, 2015
Practice Manager:	Name: Paulo de Sa, Practice Manager	Date: February 9, 2015

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.