

Classification and Environmental and Social Strategy (ESS) STR Barranquilla Facility - COLOMBIA

Original language of the document: Spanish
Issuance date: January 2024

1. Project Scope and Objective, and IDB Invest Participation

In 2020, the Project known as UPME STR 02-2019 (the “Project” or “STR Barranquilla Facility”), located in the Colombian Caribbean region, in the Department of the Atlántico, in the special port and industrial district of Barranquilla and, to a lesser extent, in the Municipality of Soledad, was awarded by the Energy Mining Planning Unit (“UPME”, for its acronym in Spanish) to the consortium Energía de Colombia STR S.A.S. E.S.P (the “Concessionaire” or the “Client”), whose shareholders are the firm Ortiz Construcciones y Proyectos S.A. with an 80% holding, Fondo para Inversiones en el Exterior (FIDEX) with an 18.62% holding and Compañía Española de Financiación del Desarrollo (COFIDES) with the remaining 1.38%.

The general goal of the Project is securing the improvement and reliability of the electric supply to the Municipalities of Barranquilla and Soledad, at the Department of the Atlántico, by: (i) designing, supplying, constructing, operating and maintaining the Estadio Substation of 110 kV; (ii) expanding and modernizing 8 substations and interconnecting 9 substations; (iii) installing about 24 km of underground high-voltage lines to 110kV, out of which 1.08 km were in the Municipality of Soledad; and (iv) building the related works.

The Project’s operational period, after the conclusion of basic engineering and detailed design, permit and license formalities, the supply and assembly of equipment, the construction, fine tuning and related testing of the works, is 25 years as from November 2, 2023.

2. Classification and Environmental and Social Strategy

The project has been pre-classified in Category B, in accordance with IDB Invest's Environmental and Social Sustainability Policy because it will likely produce the following environmental and social impacts and risks: (i) dust generation; (ii) increase in noise levels due to the use of heavy machinery; (iii) generation of solid waste (excavation waste, leftovers from surfacing, debris, etc.); (iv) roadblocks and interruptions; (v) temporary power supply cuts and interruptions; and (vi) increase in the workers’ health and safety risk due to works with live lines or at heights. All these impacts are deemed to be of medium intensity.

To date, the Concessionaire has an environmental license granted by Establecimiento Público Ambiental – EPA Barranquilla Verde (environmental office), issued through Resolution No. 2640 of September 23, 2021.

The Environmental and Social Due Diligence (ESDD) process will include interviews with key Concessionaire executives (environmental, social, and occupational health and safety areas); will analyze its Environmental and Social Management System (ESMS), including the related plans and procedures; and will 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 in terms of the Environmental and Social Sustainability Policy and define an Environmental and Social Action Plan (ESAP) to close 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; and PS4: Community Health, Safety and Security. 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 (ESRS) and an ESAP will be prepared and published on this website.

3. Additional Information

For questions about the Project please contact Concesionaria Energía de Colombia STR S.A.S. E.S.P.:

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

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