

## INFORMATION SUMMARY FOR THE PUBLIC

### PUERTA de HIERRO TOLL ROAD

<b>Host Country</b>	Republic of Colombia
<b>Name of Borrower</b>	An administration and payment trust established for the benefit of Concesionaria Vial Montes de Maria S.A.S.
<b>Project Description</b>	The Puerta de Hierro Toll Road Project is comprised of (i) the design, improvement, operation and maintenance of 192.6 km of an existing bi-directional carriage toll road and (ii) the design, construction, operation and maintenance of a 5.2 km greenfield bypass pursuant to a public-private partnership concession under Colombia's 4th Generation road expansion program. The toll road will facilitate the connection between major Caribbean port cities of Barranquilla and Cartagena with interior departments near the Caribbean coast and further south to Medellín and Bogotá. The Project will enable increased vehicle speeds (additional 5 km per hour on average) that reduce travel times across the roadway, reduce vehicle operations costs, improve road safety, and enhance environmental protections for flooding and road settlement.
<b>Proposed OPIC Loan/Guaranty</b>	A USD 209,000,000 local currency guaranty denominated in Colombian Pesos. Local financial institutions that will be beneficiaries of the OPIC local currency guaranty may require appreciation cover of up to USD 141,000,000. The total maximum OPIC exposure will be capped at an amount not to exceed USD 350,000,000.
<b>Total Project Costs</b>	Approximately COP 1.2 billion
<b>U.S. Sponsor</b>	Assured Guaranty Municipal Corp.
<b>Foreign Sponsor</b>	Sacyr Concesiones Colombia, S.A.S.
<b>Policy Review</b>	
<b>U.S. Economic Impact</b>	This Project is not expected to have a negative impact on the U.S. economy. U.S. procurement associated with this Project is expected to have positive impact on U.S. employment and on the U.S. trade balance.
<b>Developmental Effects</b>	The Project is expected to have a highly developmental impact through the improvement, operation and maintenance of an existing 192.6 km toll road, and the construction of a 5.2 km greenfield bypass in Colombia. According to the 2018 Global Competitiveness report by the World Economic Forum, the quality of roads in Colombia ranks 102nd out of 140 countries. The Project is one of 30 projects under the Government of Colombia's 4G road program, which aims to catalyze private

	<p>investment to construct over 8,000-km of new or improved roads throughout the country. The Project will improve the connectivity between major coastal cities and rural, interior municipalities in the Sucre, Bolívar and Atlántico departments, which have long suffered from instability and conflict. The poverty rates in Sucre of 42%, and of 38% in Bolívar, far exceed the country's average of 29% in 2017. By improving a major commercial route, the Project will reduce transportation time and costs, helping the region become more competitive. The Project is projected to serve more than two million vehicles per year, and increase the amount of cargo transported by 1.2 million tons per year.</p>
<p><b>Environment</b></p>	<p>Clearance is in process.</p> <p><b>Screening:</b> The Project has been reviewed in light of OPIC's categorical prohibitions and was determined to be categorically eligible. The Project is screened as Category B because the Project does not involve expansion of a road to four lanes or more and construction of new road for the Project is less than 10 km. Environmental and social impacts can be managed and mitigated in accordance with the Applicable Standards below. The major environmental and social concerns related to the Project include impacts to community health and safety resulting from increased traffic, influx of non-local workers and non-local peoples, noise and vibration; the need for robust and occupational health and safety procedures; soil erosion and spoil management; impacts to biodiversity; and the need for a robust environmental and social management system with appropriate organizational capacity given simultaneous multiple work fronts and ambitious timeline for construction.</p> <p><b>APPLICABLE STANDARDS:</b> OPIC's environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following IFC Performance Standards ("PS"):</p> <p>PS 1: Assessment and Management of Environmental and Social Risks and Impacts;  PS 2: Labor and Working Conditions;  PS 3: Resource Efficiency and Pollution Prevention;  PS 4: Community Health, Safety and Security; and  PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.</p> <p>In addition to the Performance Standards listed above, the IFC's April 30, 2007 Environmental, Health, and Safety General</p>

Guidelines and IFC's April 30, 2007 Environmental Health and Safety Guidelines for Toll Roads are applicable to the Project.

**Environmental and Social Risks and Mitigation:** The Project has three functional units that include the following: 1) Puerta de Hierro to Carmen de Bolívar (improvement, operation and maintenance of 41 km of existing roadway) and Carmen de Bolívar Bypass (construction, operation and maintenance of 5.2 km of new road); 2) Carmen de Bolívar to Carreto (improvement, operation and maintenance of 42 km of existing road) and Carreto to Cruz del Viso (improvement, operation and maintenance of 25 km of existing road); 3) Carreto to Calamar improvement, operation and maintenance of 30 km of existing road) and Calamar to Palmar de Varela (improvement, operation and maintenance of 58 km of existing road). Improvement works consist of widening and improvement of existing road; realignment of curves to improve the specifications for projects' design speed; expansion, construction and/or replacement of drainage works; construction of culverts; and expansion and construction of berms.

There are two existing toll booths along the corridor; no new toll booths will be installed as part of the Project. Facilities that will be built, operated and maintained within the Project corridor include: an operation control center; at least two weigh stations; communication systems and SOS posts; at least 10 pedestrian bridges; at least 34 LED panels (information displays and signs). During construction, the Project will involve a worker's camp along functional unit two and ZODMEs (zones for storage and disposal of earth material) one in each functional unit.

The highway corridor involves 12 municipalities within three departments. Environmental Adaptation Guideline Plans ("PAGA") have been developed for all parts of the corridor involving only improvements, operation and maintenance; an Environmental Impact Assessment ("EIA") has been conducted for the new bypass in accordance with Colombian legislation. All necessary environmental permits needed at this stage of the Project have been acquired.

An international third party environmental and social consulting company conducted a preliminary environmental and social due diligence ("ESDD") for the Project. According to the ESDD report, the Project has developed an Environmental Management and Monitoring Plan as part of the PAGAs and EIA submitted to

	<p>the local authorities. In line with IFC PS 1, the Project will be required to develop robust management systems and dedicate sufficient organizational capacity to adequately implement the management and monitoring plans, in particular with respect to health and safety and contractor and sub-contractor monitoring. Other key areas that were identified in the ESDD report that will require significant oversight and management include: Hazardous Materials Management, Traffic Safety, Worker’s Camp, Community Health and Safety including Emergency Response, and Cumulative Impact and Ecosystem Services management with respect to biodiversity. Within the area of indirect influence of functional unit two is the Los Colorados Flora and Fauna Sanctuary, a national park (the “Sanctuary”). The Project will not directly impact the Sanctuary, which was confirmed by the Colombian Natural National Parks Agency. The Project will be required to implement a Fauna Management Program to help preserve the biodiversity of the Sanctuary.</p> <p>The aforementioned key areas will be assessed and discussed in more detail with the Project during the OPIC staff environmental and social due diligence visit, which is scheduled for March, 2019. Findings from the visit will be incorporated into the environmental clearance and an updated Project Summary.</p>
<p><b>Social Assessment</b></p>	<p>Clearance is in process.</p> <p>The Project has impacts that must be managed in a manner consistent with the IFC’s Performance Standards, OPIC’s Environmental and Social Policy Statement, and applicable local laws. OPIC’s statutorily required language regarding the rights of association, organization and collective bargaining, minimum age of employment, and prohibition against the use of forced labor, will be supplemented with provisions concerning non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p> <p>Key social risks include workforce management throughout the construction period, managing potential physical and economic displacement along the corridor, security policies and procedures, cultural heritage management, and overall stakeholder engagement and expectation management.</p> <p>Most of the land required for the improvement of the Project relates to the rights of way (164.59 km), with 5.2 km of new construction for the bypass and 27.98 km dedicated to operation</p>

and maintenance works. The Project anticipates minimal physical or economic displacement, and this will be principally for the construction of El Carmen de Bolívar bypass. For the bypass, the Project has identified 57 properties required for construction. These are principally in use for pasture and agriculture, but there are also six households and three businesses. The Project will attempt to negotiate an agreement for purchase for these 57 properties, but does have the ability to expropriate. The Project is in the process of due diligence and appraisal for these properties. Additionally, there are approximately 621 parcels along the corridor right of way with informal users/uses. The Project has been working with the respective municipalities to address these land users. The assessment of these uses against the eligibility and compensation matrix of the IFC PS 5 is ongoing. The Project will also impact public spaces along the corridor that will require coordination with the respective municipalities for restitution. Specifics of both these potential impacts to land tenure, use, or access will be assessed further during the March, 2019 due diligence visit. The Project has a framework that requires certain resettlement standards that meets their national obligations; however, OPIC will require that the implementation of this program fully reflect the eligibility requirements or compensation standards of the IFC Performance Standards.

Based on the Ministry of Interior certification, no indigenous communities are present in the area of influence. This point will be further assessed and confirmed during the March, 2019 due diligence visit.

OPIC will require the Project to develop and implement appropriate management tools for consultation and information disclosure throughout construction, Project-specific workforce management and monitoring programs for construction and operation, physical and economic displacement plans for those properties impacted by the land acquisition, security policies and procedures, and cultural heritage management.

This Project has been reviewed against findings in the 2017 State Department Human Rights Report for Colombia.