

March 22nd, 2021

Zoomcast: Coordination and Concurrence Procedure

1. Explanation of the socio-environmental sheet

A: The information obtained from the different consultations and coordination and concurrence spaces is compiled and classified in the ANH's information system to be subsequently analyzed and generate a preliminary version of the socio-environmental sheets. At the same time, it contemplates approximately 48 variables associated with economic development, special environmental protection, conservation of the natural heritage, protection of the cultural heritage and social development.

To facilitate its understanding, the socio-environmental sheet is divided into different categories, such as:

- 1. Special Environmental Protection: defines those areas that by environmental regulations may restrict and/or prohibit hydrocarbon activities. These include national natural parks, Ramsar category wetlands, paramos, Forest Reserves of the 2nd Law of 1959, among others.
- 2. Strategic Ecosystems and Priorities: in this category are, for example, wetlands that are not Ramsar category, seagrasses, mangrove corals.
- 3. Land Management: watersheds under management (hydrogeophysical zones, sub-zones: POMCAS: state, possible restrictions according to environmental zoning), Land Management Instruments (POTs, PBOTs, EOTs), state (updated, outdated), zoning and land use regimes, among other components.
- 4. Similarly, other categories are handled, including, for example: archaeological zones; protected areas declared by the ICAHN, among others.
- 5. Socioeconomic and demographic topics, such as: population density; type of income; productive activities carried out in the territory; municipal categories and other relevant topics.
- 6. Ethnic groups (reservations, community councils).

Consequently, the socio-environmental files can be considered as a source of truthful, comprehensive and official information because they are built based on the information and inputs that each of the authorities and territorial entities provide in the development of the process of coordination and concurrence nation-territory for the definition and determination of new areas of interest of hydrocarbons, in compliance with Ruling SU-095 of 2018, of the Constitutional Court.

2. Who manages the socio-environmental file and, once it has been managed, who makes it viable?

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A: The sheet is an input of the ANH that is built within the Entity and is based on the official information provided by each of the institutions consulted, whose sole purpose is to present the identification of the boundaries of the preliminary technical areas, the existence or not of prohibitions and/or exclusions for the hydrocarbon activity.

3. Could you give us more details on the actions to be developed for the environmental management of the basins that are reserved for environmental issues?

A: The Agency has been working on different lines with respect to environmental viability and land use planning. Thus, one of these lines is oriented to the monitoring of the processes of formulation and updating of environmental planning and land management instruments.

In this sense, the Entity is actively participating in the integration of hydrocarbon activities in the different scenarios of development. This would be the first step in the formulation (as a diagnostic phase) where the ANH generates all the technical inputs, which will not only be delivered in physical form, but will serve to generate technical spaces for the review, discussion and, above all, visibility of the productive activity (legal and regulated) that contributes to territorial development.

In conclusion, the Entity is committed to this formulation because it seeks that the regimes to be issued are not structured based on the prohibition of exploration and development activities, but that they are catalogued as a strategic partner aimed at contributing to the territory based on the particular environmental conditions that exist in certain areas and that must be respected by the activities.

4. What would happen if, once the block is awarded, the information from the coordination and concurrence process does not coincide with the reality of the contracted area? Example: in the coordination process no areas with restrictions were determined, but in the execution of the eventual contract the operator does find restrictions

A: The socio-environmental sheet is delivered ad-portas of the launch date of the round and the exercise of defining the definitive areas after all this procedure.

It should be noted that the Entity relies on official information shared by national, regional and local authorities, both environmental and territorial entities. To date, we have never had a situation similar to the one described in the question, given that we carry out technical review meetings with all the authorities in charge where we socialize what are the possible restrictions in each of the territories, in addition to what are the processes that are being carried out within them, therefore, there should not be any instrument that is in force and that in one way or another has not been mapped in the file.

However, it may happen that after the delivery and inclusion of the file in the data room, some subsequent or surviving process to the state in which we present may, in some way, be regulated.

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Likewise, it is important to consider that there are very few environmental instruments that are one hundred percent restrictive (natural parks, paramos, Ramsar), which is why it is possible to manage the oil activity and achieve, in some way, the viability of the project.

5. Are the blocks authorized for the round are already authorized since the previous consultation and the socio-environmental data sheets?

A: One matter is the prior consultation, which is a process that goes through a different route and is an obligation of the contractor. On the one hand, we have the socio-environmental sheets and on the other, the environmental licensing of the project once it has been awarded. Thus, it must be taken into account that the times are different because the socio-environmental sheets can be considered a first step since the Entity gives the companies a baseline for decision making, while the other two are part of the contract to be signed since licenses that regulate the activity are necessary.

6. When do we estimate that the areas with the procedure for the Colombia 2021 Round will be ready?

A: We expect to have the coordination and concurrence process ready for the areas that are already subject to the procedure by August at the latest, no later than the second week of September. On the other hand, we have the areas that are beginning to nominate companies, as they will enter into a parallel process to the one already identified at this moment.

7. How do we give continuity to the processes with the changes of departmental and municipal leaders, as well as at the CARS level?

A: The challenge is to ensure that these processes that are built with the regional authorities can be maintained with the changes in the leadership, because these are situations that we must deal with on a daily basis. Thus, upon the arrival of a new official it is imperative to socialize the activity, which are the contracts that are in their territories, familiarize them with the companies present in the area, what is an oil contract and what are the environmental and social obligations of the same. This exercise is carried out, in turn, with the regional authorities.



8. When will the two areas proposed for incorporation be included in the land map?

A: These areas are in a more advanced process since their incorporation was requested in advance, which is why the geomatics area of the Agency is currently defining their incorporation in the land map. Likewise, the schedule indicates that these areas should be included in the map within a maximum period of one and a half months.

(This Zoomcast took place on April 22)