

February 17, 2021

The Honorable Minister Carlos Eduardo Correa Escaf  
Ministerio de Ambiente y Desarrollo Sostenible  
Calle 37 No. 8-40  
Bogota, Colombia

Dear Sir:

The U.S. International Development Finance Corporation (DFC) is proposing to issue financing to the Forest First Colombia (FFC) Project to support the expansion of its plantation forestry operations in the Vichada Department, Colombia. The FFC Project will acquire 250,000 ha of degraded grasslands and maintain 150,000 ha of planted *Eucalyptus* to produce approximately 5 million tons of harvested wood fiber per year at steady state by 2030. Less than 70% of the total area acquired by FFC will be used for plantation forestry and at least 20% will be dedicated to environmental conservation and the balance used for infrastructure required for operations. Due to the remote location of the Project site and lack of road infrastructure, FFC will develop barge terminals on the Meta River for the shipment of wood fiber to both national and international markets.

DFC is an agency of the United States Government with a mandate to encourage and support U.S. private sector investments in developing countries and emerging economies. All DFC-supported projects must be economically and environmentally sound. DFC is required by U.S. law to notify appropriate governmental authorities of investments under consideration for DFC assistance that have the potential to pose significant consequences for the environment.

DFC also is required by U.S. law to provide your government with information about standards and guidelines that have been developed by international organizations and by federal environmental regulatory authorities of the United States that are applicable to such investments. DFC applies guidelines and standards established by the World Bank Group and other similar international organizations. The web site links to these relevant guidelines are attached to this letter.

According to the documentation submitted by the Project developer, the major environmental issues associated with the Project include the need for appropriate worker health and safety measures; fire safety and emergency preparedness; and a robust environmental and social management system for day-to-day aspects of plantation forestry operations.

Our analysis confirms the FFC Project has been designed to minimize social and environmental impacts. FFC will use internationally accepted environmental management practices to mitigate potential impacts to acceptable levels. Based on information provided by FFC, the Project does not appear to pose significant hazards to the environment, public health, or safety.

We understand, of course, that the FFC Project will also be subject to the laws of Colombia with regard to protection of the environment, public health, and safety.

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[dfc.gov](http://dfc.gov)

If you have any questions about DFC's environmental and social assessment of this project, you may contact Mary Boomgard, Managing Director, Environmental Risk Analysis Group, at the above address or at [Mary.Boomgard@dfc.gov](mailto:Mary.Boomgard@dfc.gov).

Respectfully yours,



Claire F. Avett  
Vice President, Office of Development Policy  
U.S. International Development Finance Corporation

Phone: 202-336-8493

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### **Applicable U.S. and International Standards and Guidelines**

- (1) The International Finance Corporation's 2012 Performance Standards on Environmental and Social Sustainability:  
[http://www.ifc.org/wps/wcm/connect/c8f524004a73daeca09afd998895a12/IFC\\_Performance\\_Standards.pdf?MOD=AJPERES](http://www.ifc.org/wps/wcm/connect/c8f524004a73daeca09afd998895a12/IFC_Performance_Standards.pdf?MOD=AJPERES)
- (2) The International Finance Corporation's Environmental, Health, and Safety General Guidelines (April 30, 2007):  
<http://www.ifc.org/wps/wcm/connect/554e8d80488658e4b76af76a6515bb18/Final%2B-%2BGeneral%2BEHS%2BGuidelines.pdf?MOD=AJPERES>
- (3) The International Finance Corporation's Environmental, Health, and Safety Guidelines for Perennial Crop Production (March 30, 2016):  
[https://www.ifc.org/wps/wcm/connect/2db115fe-4842-4a32-86ed-c9d659a0ea38/English\\_2016\\_Perennial+Crop+Production\\_EHS.pdf?MOD=AJPERES&CVID=1ffbDhw](https://www.ifc.org/wps/wcm/connect/2db115fe-4842-4a32-86ed-c9d659a0ea38/English_2016_Perennial+Crop+Production_EHS.pdf?MOD=AJPERES&CVID=1ffbDhw)
- (4) The International Finance Corporation's Environmental, Health, and Safety Guidelines for Pulp and Paper Mills (December 10, 2007):  
<https://www.ifc.org/wps/wcm/connect/2310ee34-7432-4546-8898-03372c9b51e2/Final%2B-%2BPulp%2Band%2BPaper%2BMills.pdf?MOD=AJPERES&CVID=jkD2FLw>
- (5) U.S. Environmental Protection Agency's National Pollutant Discharge Elimination System (NPDES): <https://www.epa.gov/npdes>
- (6) The Endangered Species Act: <https://www.epa.gov/laws-regulations/summary-endangered-species-act>
- (7) The Clean Air Act: <https://www.epa.gov/laws-regulations/summary-clean-air-act>