

## **Generating Wellbeing is a Must, Not an Option**

The design, execution, and operation of infrastructure projects in Colombia are deeply influenced by the country's socio economic complexity. This complexity is characterized by state neglect in various regions, high levels of poverty, significant gaps between urban centers and rural areas in terms of access and development opportunities, limited social investment, and the presence of armed conflict with territorial control by illegal groups. This situation causes the mere arrival of a project promoter to trigger tensions and various interests seeking benefits not previously envisioned. Additionally, the active presence of environmental advocacy groups, which perceive projects as threats and opt for radical opposition, adds another layer of complexity.

Given this situation, the question arises: How can projects be developed that generate well-being for society and gain local acceptance? To address this issue, in Colombia, from the preparation of Environmental and Social Impact Assessments (EIAS), this concern permeates socio-environmental activities. Moreover, the creation of solid baselines faces the challenge of lacking official information, which is often outdated and without political will for its update. It is crucial to have current information to show that socio-environmental investments, both voluntary and mandatory, generate returns and well-being for the communities and stakeholders in the area of influence.

In Colombia, it is imperative for projects to demonstrate that, in addition to controlling impacts, they generate real benefits and opportunities for the population in the area of influence. This obligation involves conducting an economic environmental evaluation, whose main objective is to show that benefits are generated for society.

The Environmental Authority in Colombia recognizes three types of investments as benefits: i) productive linkages, which involve the inclusion of local goods and services required for the project's execution, ii) local employment of unskilled labor, crucial in a context where income generation opportunities are limited, and iii) voluntary socio-environmental investments in the area of influence.

Productive linkages are ideal but face significant barriers, from the legalization and formalization of services to the requirement of quality standards, which are challenging for small-scale economic initiatives. Therefore, at the beginning of projects, expectations and the number of interested parties may be high, but as processes advance, beneficiaries decrease without a strong commitment from promoters to provide constant and permanent support.

Local employment generation, although representing tangible improvements in quality of life, also poses significant challenges. These include the loss of access to the subsidized social security system when having an employer, and the difficulty of returning to the subsidized system if job offers are short-term. Additionally, the involvement of unskilled labor in projects can displace the workforce needed for local agricultural activities, generating community opposition.

Voluntary socio-environmental investments are almost essential for projects to obtain social license, meaning acceptance from stakeholders. Promoters must offer win-win schemes, not only for society in general but with real opportunities for communities in the area of influence. These investments

must be planned and executed with systematic monitoring to demonstrate their return and avoid being perceived as ad-hoc contributions with no significant impact.

Therefore, to develop projects that generate well-being and gain local acceptance, it is crucial to make early investments, even before obtaining environmental permits, to build solid relationships with stakeholders. However, these voluntary investments are not recognized by the Environmental Authority and do not necessarily address needs identified in a baseline, leading to lost opportunities for economic environmental analysis.

Consultancy efforts have focused on ensuring that EIAS are objective, solid, and reliable, and on proposing positive impacts and benefits as a viable discussion with the Environmental Authority. This requires promoters to make strategic socio-environmental investments that demonstrate net benefits for society.

In conclusion, social license, economic environmental evaluation, and the benefits a project can generate beyond impact control represent a significant opportunity. The economic environmental evaluation should be valued and recognized as an integral part of the Environmental Impact Assessment and not just as a final conclusion to determine project feasibility.