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## **MEDIA COMMUNIQUÉ**

## Complaint from local community regarding IFC-supported Alto Maipo hydropower project, Chile

Washington, D.C., April 11, 2017 – The Compliance Advisor Ombudsman (CAO), the independent accountability mechanism for the International Finance Corporation (IFC), a member of the World Bank Group, is in Chile April 11-18, 2017 to assess a complaint regarding IFC's support for the Alto Maipo hydropower project. The complaint was filed to CAO in January 2017 by Chilean organizations on behalf of communities neighboring the project.

The project involves the construction of two run-of-the-river hydroelectric facilities in the Maipo River Basin with a combined capacity of 531 megawatts (MW). Ninety percent of the project's infrastructure will be underground. IFC's support for the project, which is being developed by Alto Maipo SpA, a company majority-owned by AES Gener, comprises a US\$150 million loan.

The complaint filed by two NGOs, La Coordinadora Cuidadana No Alto Maipo and Ecosistemas on behalf of local community members, alleges that the project will lead to diversions of the Maipo River resulting in impacts on water access and quality, farming, tourism, and the environment. The complaint also raises concerns regarding to the project's impact assessment and due diligence, and alleges that two communities have been impacted by noise pollution due to construction activities.

CAO is conducting an assessment of the issues raised in the complaint, talking to community members, representatives of AES Gener, IFC staff, the organizations supporting the complaint, and other relevant stakeholders. CAO makes no judgment about the merits of the issues at this stage. The assessment will inform next steps taken by CAO in addressing the complaint.

More information about this case is available at www.cao-ombudsman.org.

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## **About CAO:**

The Compliance Advisor Ombudsman (CAO) is the independent accountability and recourse mechanism for the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), members of the World Bank Group. CAO's mandate is to address complaints from people affected by IFC and MIGA projects in a manner that is fair, objective, and constructive, and to improve environmental and social outcomes on the ground. www.cao-ombudsman.org.