

No project alternative

In the previous decade, the Project's area of influence was the scene of a humanitarian tragedy of serious proportions. A territorial armed struggle was on stage among the Country's regular forces, the guerrilla, and the paramilitary. These extreme conditions forced the area's inhabitants to abandon their homes and means of livelihood.

Following the implementation about seven years ago of a Government's strategy to extend the rule of law to the area, the former inhabitants began a return process and although security conditions have substantially improved, the area is characterized by high levels of poverty and virtually no investment.

The no project alternative simply means that the project's sponsor does not build the project and therefore desists from: (i) making a direct investment of US\$ 5.7 M (approx. 5% of total project cost) in social and economic activities during the project's construction period; (ii) creating over 295 direct jobs during the project's three year construction period, employments that would mostly be covered by the area's inhabitants; and (iii) making an annual contribution of 6% of the project's revenues to the local environmental authority and the project's nearby municipalities.

Finally, the no-go alternative means the no displacement of around 100k tons of GHG emissions per year as the energy production from the Project will be substituted by the generation from large hydro plants (67% of Colombia's generation during 2013) or thermal plants (27%).