Table 1. Domestic and Local Benefits

Area	Description
Local environmental benefits	 The project contributes with clean energy to the Central Interconnected System of Chile, contributing to national development.
Socio-economic benefits	 The project allows the 8th Region of Chile to exploit its significant economic potential. A total of 579 local jobs were created during the construction phase of Quilleco, positively impacting the surrounding communities of Antuco, Quilleco, Tucapel, Los Angeles and Huepil, which have a high level of rural population, poverty and unemployment compared to national average. Economic activity impulse during the construction period and also during all of its lifetime
Capacity building	 Extensive pre-negotiations consultations were carried out and a Post-negotiation workshop communicating the lessons learned from the project design and implementation.
Technology transfer	 Introduction and demonstration of environmentally friendly power production techniques for the 8th Region is an explicit objective of the project. The demonstration that emission reductions obtained from renewable energy can earn additional income and the introduction of CDM know-how raised environmental awareness
Environmental Impact Assessment (EIA)	 A full EIA was carried out in accordance with Chilean law 19.300 which was approved by CONAMA in 26/12/2000. Colbún S.A. set up an Environmental Project Committee in charge of the management and coordination of the environmental aspects of Quilleco Hydroelectric Project in accordance with procedures of the ISO 14001 certified Environmental Management System of Colbún S.A. Environmental impacts of Quilleco Hydroelectric Project were well defined and were adequately assessed by environmental and sector authorities. World Bank safeguard policies were applied as part of the detailed project design; the WB - Project Appraisal Document (PAD) was completed and approved on April 2006. Typically, small scale run-of river hydropower projects have very limited environmental impacts.