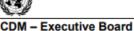
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Contribution of the Project Activity to Sustainable Development: The project has positive impacts with respect to the environment through offsetting fossil fuel use and lowering greenhouse gas emissions. The project will generate "green" power through zero-emission hydro technology (run-of-river dam with very small impacts on the environment) and therefore reduce CO2 emissions as compared to the business as usual scenario.

Socially it will provide jobs to local communities during and after construction and provide long-term income to the surrounding villages from the 99-year land lease in an area where permanent and reliable sources of employment are scarce. The project will also provide reliable electricity supply and good upkeep and maintenance of roads in and out of the Nadrau plateau (more than 24km of public road). Eight villages (Lewa, Buyabuya, Naiyaca, Marou, Nagatagata, Drala, Vatutokotoko and Koro) and two settlements (Taunabe and Nakeito) will benefit directly from the improved road and electricity infrastructure.

For the local economy, the road will assist in better access to markets for the agricultural produce from these villages. Technologically the project contributes through training to Fijian power utility professionals working for FEA who will gain experience in hydro power installation, commissioning, operation and maintenance and technology transfer to Fiji from China. Finally, for the national economy it satisfies growing energy demands without increasing dependence on expensive fossil fuels, allowing the country to continue its economic development and contributing to poverty alleviation.