

**View of the project participants on the contribution of the project activity to Sustainable Development:**

Ministry of Environment and Forests, Govt. of India has stipulated the following indicators for sustainable development in the guidelines for CDM projects:

Social well-being:

- The proposed project would lead to generation of business opportunities and employment in the region thereby contributing towards social uplifting through direct and indirect benefits.
- The project activity in its execution will lead to development of infrastructure in the region and at the same time promote business in the region through the improvement in electricity generation capacity of the grid.

Economic well-being:

- The project activity leads to an investment in the region accompanied with business and employment benefits along with improvement of grid supply which otherwise would not have happened in the absence of project activity.
- The clean electricity generated through solar power by the project activity would be fed into the local grid thereby improving the availability of electricity in the region. This would provide a better scenario for local industries and businesses to improve their production capacities thereby contributing towards the overall economic development of the region.

Environmental well-being:

- The project activity employs solar power for generation of electricity thereby displacing fossil fuels which are being rapidly consumed to meet the growing demand of electricity in the country thus contributing towards reduction in GHG emissions.
- Solar power projects generate no end products in the form of solid waste (ash etc.) compared to alternative modes of power generation (e.g. coal based on which the Indian grid is primarily dependent). Hence the project activity is a cleaner source of power generation and is encouraging greener practice of power generation.
- The solar power project indirectly is contributing towards conservation of non-renewable resources which are under the constant threat of depletion due to excessive and rapid growth of energy demand. The growing threat of global warming which is a key concern is also addressed due to renewable energy use thereby mitigating climate change.

Technological well-being:

- Increased interest in solar energy projects will further push R&D efforts by technology providers to develop more efficient and better machinery in future and thereby leading to technology well-being
- The project activity uses solar photovoltaic technology for large scale power generation thereby demonstrating the viability of solar based renewable energy generation in the region.

Hence the project leads to technological well-being. The project proponent (VPSPL) will contribute 2% of the revenue realized from sale of net certified emission reduction arising from the candidate CDM project towards sustainable development including initiatives towards society / community development in line with the measures indicated in the PDD (page 4).