CDM – Executive Board



Page 3

Contribution to Sustainable Development

The National CDM Authority (NCDMA) which is the Designated National Authority (DNA) for the Government of India (GoI) has stipulated four indicators for sustainable development in the interim approval guidelines for Clean Development Mechanism (CDM) projects from India³. The contributions of this project activity towards these indicators are provided below:

1. Social well being:

- ➤ The project activity will lead to the development of supporting infrastructure such as road network etc., in the wind park location, the access to which is also provided to the local population.
- ➤ The project activity will lead to alleviation of poverty by establishing direct and indirect benefits through employment generation and improved economic activities by strengthening of local grid of the state electricity utility.

2. Environmental well being:

- ➤ The project activity employs renewable energy source for electricity generation instead of fossil fuel based electricity generation which would have emitted gaseous, liquid and/or solid effluents/wastes.
- ➤ Being a renewable resource, using wind energy to generate electricity contributes to resource conservation. Thus the project causes no negative impact on the surrounding environment and contributes to environmental well-being.

3. Economic well being:

- The project activity requires temporary and permanent, skilled and semi-skilled manpower at the wind park; this will create additional employment opportunities in the region
- > The generated electricity will be fed into the NEWNE grid through local grid, which will provide new opportunities for industries and economic activities to be setup in the area thereby resulting in greater local employment, ultimately leading to overall development.

4. Technological well being:

➤ Increased interest in wind energy projects will further push R&D efforts by technology providers to develop more efficient and better machinery in future.

In addition to this, the project proponent will contribute 2% of the CDM revenue realized from the candidate CDM project for sustainable development including society / community development. PP is aware about the Indian DNA guideline on commitment of 2% of the CDM revenues towards sustainable development and a formal undertaking is being submitted separately.

³2http://envfor.nic.in/cdm/host approval criteria.htm