

**View of project participant about the project activity's contribution to sustainable development**

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

- a) Social well-being
- b) Economic well-being
- c) Environmental well-being
- d) Technological well-being

Project would contribute to the above indicators in the following manner

**Social well-being:**

- The project activity would increase the availability of power in the area.
- It would contribute to the creation of employment opportunities for the local people during the construction of the project and provide regular employment during project operation there by alleviation of poverty to the extent feasible.
- Creation of employment opportunities would partly prevent migration to urban areas and reduce urban congestion and destitution
- Availability of more stable power would provide impetus to profitable economic activities in the area and nearby, thereby contributing to further employment opportunities.

**Economic well-being:**

- The economy of the area is dependent on agricultural activities, in particular commercial crops. The power generation by the project activity would improve the local grid, enabling availability of power in a reliable manner for the agricultural activity.
- Project proponents would invest in the region about INR 572.10 millions, which would not have occurred in the absence of the project activity. This is a significant investment in the region.
- The power generation from the project area would stabilize the grid as well as quality of power in the local area. With rising hydro power generation and improving efficiencies in distribution of electricity, the project activity would be able to offer energy at stable prices for economic development in the surrounding rural areas.
- The project activity would result in diversification of the state grid, which is dominated by conventional fuel based generating units and improve the power quality by reducing the voltage fluctuations.
- Project activity would utilize potential water resources available in the area for exploitation of all possible resources for local development, thus demonstrating the effective utilization of renewable energy sources available in the area.

**Environmental well-being:**

- The scheme being a small hydro electric project, would not alter any environmental or biological attributes of the area.
- Further the project activity would not result in degradation of any natural resources, health standards, etc. at the project area.
- As the project is hydro based, it would generate clean energy and would result in real, measurable and long-term emissions reductions of green house gases.

**Technological well-being:**

- The project would utilise environmentally safe and sound technology in small-scale hydro-electric power sector.
- The project would demonstrate the feasibility of harnessing water discharges in the river under low head and encourage setting of similar projects in future.

The above benefits due to the project activity ensure that the project would contribute to the sustainable development of the region.