

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

The main purpose of the project activity is to generate electrical energy through sustainable means without causing any negative impact on the environment and to contribute to climate change mitigation efforts. Apart from the generation of electrical power, the project also contributes to the following.

- a) Sustainable development, through utilisation of renewable hydro resources available in the project region
- b) Rural area development due to the location of the project being in rural area
- c) Capacity addition to the present installed capacity and increase in the energy availability
- d) Generation of additional employment

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

**Social well being:** The CDM project activity should lead to alleviation of poverty by generating additional employment, removal of social disparities and contribution to provision of basic amenities to people leading to improvement in quality of life of people.

**Economic well-being:** The CDM project activity should bring in additional investment consistent with the needs of the people.

**Environmental well being:** This should include a discussion of impact of the project activity on resource sustainability and resource degradation, if any, due to proposed

activity; bio-diversity friendliness; impact on human health; reduction of levels of pollution in general.

**Technological well being:** The CDM project activity should lead to transfer of environmentally safe and sound technologies with a priority to the renewable sector or energy efficiency projects that are comparable to best practices in order to assist in up gradation of technological base.

Each of the above criteria is studied in the context of the project activity to ensure that the project activity contributes to the sustainable development and meets the above criteria.

**Environmental well-being:**

- The project utilizes environmentally safe and sound technologies of small-scale hydroelectric power generation and demonstrates harnessing of hydro potential thus encouraging setting up of similar projects.
- The project does not create any negative impact on the environment, as there is no submergence or stagnation of water.
- The project will not have any negative impact on public health scenario or natural resources of the region.
- The project activity reduces GHG emissions which would have taken place in the absence of the project due to generation of the similar proportion of electricity generated by the project from fossil fuel based generating stations.

**Social well-being:**

- The project involves no displacement of people living near the project area and hence no rehabilitation and resettlement.
- The project is implemented in a rural area that does not have proper roads and other infrastructure facilities. Project proponents had constructed a road for approach and other infrastructure facilities in the village as a part of the project construction.
- The project has lead to direct and indirect employment for the local population as the construction and maintenance staff has been drawn from the nearby local areas.
- More and more rural industries will be set up and new opportunities for development will be created as a consequence to the hydroelectric project in the area. This will result in infrastructure development, which ultimately lead to the rural development and prevent the migration of rural poor to cities.
- The project may promote eco tourism in due course.



Economic well-being:

- The project proponent has invested approximately Rs. 551.637 Million in the project, which is a considerable additional investment in rural area, which would not have happened otherwise, in the absence of the project activity.
- The project activity leads to alleviation of poverty by generating direct and indirect employment during construction and operation of the CDM project. Mini Hydel scheme created direct

employment opportunities totally for about more than 200 persons during the construction amounting to about 90,000 man-days. The project provides additional source of income for the local poor people by providing employment amounting to an investment of Rs.90,00,000/- during construction period as salaries / wages for construction workers, mostly rural poor people, which otherwise would not happen in the absence of the project. In addition, the project creates direct permanent employment for about 20 persons during operation of the plant. This translates into an investment of about Rs.6,00,000/- per year.

- The project will bring in additional investment to the region due to increased earnings of residents creating increased demand.

Technological well being-

- The project makes use of efficient environmentally safe technology for power generation.
- The generation of electricity from the project leads to strengthening of the grid, increasing the energy availability and quality of power in the nearby rural areas thereby meeting the energy demand to a certain extent leading to technological well being.

In view of the above, proposed project activity strongly contributes to the sustainable development.