

Head and Members of the CDM Executive Board  
Mr. Peer Stiansen  
Chairman  
UNFCCC Secretariat  
Martin-Luther-King-Strasse 8  
D 53153 Bonn  
Germany

**Subject: AGENDA ITEM 6. Other matters: Local stakeholder consultation concerns regarding CDM project activity 8791 Nallakonda windfarm in Andhra Pradesh**

13 July 2013

Dear Mr. Peer Stiansen,

We, representatives of the local communities Shyapuram and Kambalapalli, directly affected by the CDM project 8791: Nallakonda wind farm in Andhra Pradesh, and representatives of civil society organizations in India, would like to draw your attention to several serious concerns related to the proposed CDM 8791 which will be registered on 14 July if no action is taken.

Because of the large size of the construction of the wind farm project, the hills needed to be removed. This has led to erosion and obstruction of natural waterways, damages that have not yet been fixed. The construction of the windmills has also led to the lowering of the water level which is putting heavy burden on the ability of the local communities to continue the local farming. Moreover, contrary as to what was explained in the validation report, there are serious environmental and social impacts from the construction which has not yet been fixed. For example, the construction of 15m wide roads in the region has severely damaged the environment in Kalpavalli area. The validation report states that local jobs would be created. Instead of the 48 jobs promised only six people have actually been employed. They are under continuous work contract without entitlement to leave and a salary far below the average income. Far more tragic, however, is that the communities continue to live without access to electricity.

The project standard (para 65 and 66) requires that *“Project participants shall invite local stakeholders to provide comments on the proposed CDM project activity or PoA and shall demonstrate how due steps/actions were taken to appropriately engage stakeholders and solicit comments. 66. Project participants shall invite comments from local stakeholders in an open and transparent manner, in a way that facilitates comments to be received from local stakeholders and allows for a reasonable time for comments to be submitted. Project participants shall describe the proposed CDM project activity or PoA in a manner that allows the local stakeholders to understand the project activity or PoA, taking into account confidentiality provisions of the applicable CDM M&Ps.”*

The validation and verification standard (para 138) requires that *“The DOE shall determine whether the project participants have completed a local stakeholder consultation process and that due steps were taken to engage stakeholders and solicit comments for the proposed project activity.”*

Yet, the local communities Shyapuram and Kambalapalli that are directly impacted by the wind farm as described above have not been invited to the local stakeholder consultation. The project was never explained to them in a

manner that allows the local stakeholders to understand the project activity. They only learned about the project when roads were being built.

In light of the troubling social and environmental impacts presented above and brought before the Indian Green Tribunal (Kalpavalli vriksha Pempakamdarula ors vs. Union of India & ors Application 92 of 2013), we have urged the Designated National Authority of India to call for an immediate review of this project <https://docs.google.com/document/d/10jCBssNIWpiLxyavBB2CecP8BDDErTmIOgzWqAJ7Na0/edit>. We have also sent a letter to the CDM Executive Board highlighting the infringement of the local stakeholder consultation rules.

According to our knowledge the CDM does not provide for a redress mechanism where we can appeal against a decision based on infringement of rules.

We kindly ask the CDM Executive Board to discuss this case at this upcoming Board meeting and to provide us with an answer on where the locally affected communities can appeal against this decision should the project be registered.

Your sincerely,