

## Cuyamapa hydroelectricity project in Honduras – enabling sustainable development via the Clean Development Mechanism (CDM)

Honduras is the second poorest country in Central America and its electricity production is derived largely from fossil fuel based sources. Although Honduras has a significant amount of hydroelectricity potential, it has been declining as a percentage of the energy mix in recent years. The Cuyamapa hydroelectricity project in Honduras has benefited from carbon finance revenues via the Kyoto Protocol's CDM and is a prime example of how the CDM can not only reduce greenhouse gases but also enable sustainable development.

EcoSecurities worked with several partner organisations including Energia Y Transm and the Central American Bank for Economic Integration to register the small scale run-of-river hydroelectricity project with the CDM Executive Board and issue Certified Emission Reductions in order to secure the required carbon financing. Cuyamapa is a small scale run-of-river hydroelectricity project in El Salto, Honduras, which generates 48.19 gigawatt hours per year that is dispatched to the Honduran electricity grid. In addition to avoiding more than 35,000 tons of carbon dioxide emission a year and providing local employment, an integral part of the project was the roll out of a Community Development Plan. This plan was developed in conjunction with the local community and focused on teaching aid, community organisation, productive marketing assistance and preventative health care.