

It is the view of the project proponent that the GHG abatement project activity developed under Clean Development Mechanism contributes to sustainable development in the following ways:

***Social well being:***

The project activity is avoiding usage of fossil fuel by replacing it with renewable biomass residue which will be sourced from local biomass suppliers. Thus, the project activity results in additional revenues for local farmers, biomass residue suppliers, local equipment suppliers and for local workers involved in biomass handling. The project activity therefore will be socially beneficial and promotes sustainable development.

***Economical well being:***

The project activity will open up new business opportunities for local villagers, local labour contractors, local equipment suppliers and biomass suppliers which will help increase the income of these people who are directly or indirectly connected with the project activity. From a macro perspective the project activity shall bolster the energy security of the country by reducing dependence on fossil fuel. Thus the project will contribute towards improving the economic well being of the country.

***Environmental well being:***

The project activity utilizes renewable biomass residues and avoids fossil fuel usage. The use of renewable biomass causes no net emissions (as compared to other fossil fuels) since the CO<sub>2</sub> emissions are sequestered back when the biomass grows. This directly reduces consumption of fossil fuels and thus contributes to GHG emission reduction. Thus the activity implemented is an environment-friendly initiative by MTMPL.

***Technological well being:***

The technology used in the project activity is FBC technology which utilizes biomass residues efficiently. The project activity promotes the use of renewable fuels for meeting the process heat requirements for the textile company. Thus the project activity has the potential to encourage other textile companies to adopt similar technologies for meeting the process heat requirements. Therefore the project activity promotes technological well being.