<u>Environmental aspects and other contribution of the project activity towards Sustainable</u> development locally and in the whole host-country Brazil:

The project activity promotes a significant positive impact towards sustainable development in Brazil. At the time of the occurred project initial design conceptualization and CDM consideration, the project (yet under its previous design configuration) was regarded as consistent with criteria that were mentioned in a discussion paper dated April 2002 on the performance metrics for sustainable development for CDM projects in Brazil which was published by the Brazilian Ministry of Environment ("Criterios de Elegibilidade e Indicadores de Sustentabilidade para Avaliacao de Projetos que Contribuam para a Mitigacao das Mundancas Climaticas e para a Promoção do Desenvolvimento Sustentável.").

Also at the time of the occurred project initial design conceptualization and CDM consideration, the implementation of the project activity (yet under its previous design configuration) was regarded as a real demonstration of the application of a world-class methane capture system in Brazil.

At that time, like its parent company SUEZ, Bahia Transferencia e Tratamento de Residuos S.A. (formerly "Vega Bahia Tratamento de Resíduos S.A.") already had a strong past record of demonstrating corporate social responsibility through social and environmentally friendly initiatives and visualized the implementation of the project activity as one more opportunity to illustrate the benefits of such activities. In the past, Bahia Transferencia e Tratamento de Residuos S.A. has previously contributed to the local community by financing a capacity-building course for young waste pickers from Salvador City and part of the construction of a sorting centre (operated by 80 exscavengers now organised as an independent co-operative). It would seek to build on these initiatives.

Besides climate change mitigation, the project activity has promoted important local environmental benefits. LFG contains trace amounts of volatile organic compounds, which are local air pollutants. Capturing of LFG using an active (forced) collection system and its controlled combustion (by flaring) greatly reduces such emissions, thereby contributing towards sustainable development. Furthermore, the implementation and operation of the project activity promotes strong reduction of LFG odors at the landfill and nearby regions.

In summary, the project provides the following additional important local environmental and social benefits, thus contributing towards sustainable development in Brazil:

- Reduction in emissions of other air pollutants such as hydrogen sulphide (that is present in trace quantities in LFG).
- Reduction of risk of occurrence of fire and/or explosions at the landfill due to improved LFG management.
- Reduction of odors at the landfill and nearby regions.
- Local job opportunities