

**Contribution of the Project Activity to Sustainable Development:**

The project will make a strong contribution to sustainable development in Brazil. In addition to reducing emissions of GHGs and generating clean electricity, the Project provides other sustainable development benefits as follows:

a) Contribution to human health and the environment:

With the combustion of LFG, the population living around the landfill will have an environment that is cleaner and healthier, with improved air quality and reduced risk due to LFG subsurface migration. Further, potential for fires resulting from uncontrolled LFG will be minimized, as will potential for groundwater contamination. Additionally, the electrical generation in the second phase of the Project will displace electricity generated by fossil fuel-fired power plants.

b) Contribution to the improvement of working conditions and employment creation:

Local manpower will be used in the Project implementation, which entails installation of vertical wells, horizontal collection system and assembly and operation of equipment such as blowers, flares, and engine-generators sets. During the operational phase, which will take place 24 hours/day, 7 days/week, there will be new jobs created locally for duties related to operations and maintenance, landscaping, plumbing, monitoring and security personnel. These people will be fully trained by CRA on their duties and tasks.

c) Contribution to income generation:

In addition to the local jobs created during its implementation and operation, the Project will share the revenues with the municipality of Manaus throughout its crediting period.

d) Contribution to regional integration and co-operation with other sectors:

Manaus will serve as a reference for other municipalities that are willing to implement similar projects at their landfill sites. Other sectors of the economy will be stimulated by the innovative nature of the project and the prospect of investing revenue derived from the project to bring about social and environmental benefits. The electricity supplied to the Manaus Electricity Grid1 derived by the Project will also contribute to local programs of expansion of electricity generation capacity, improving sustainable economic growth.

Since Manaus is in the heart of the Brazilian Amazon, its grid is not integrated into the national electric grid of Brazil. The development of new electricity generation projects is particularly important for this region.