



The sponsors of the FSCECP are convinced that hydroelectricity is a sustainable source of energy that brings advantages for mitigating global warming. Using the available natural resources, the FSCECP helps to enhance the consumption of renewable energy. The sale of the CER generated by the project will boost the attractiveness of hydroelectric projects, helping to increase the production of this energy and decrease dependency on fossil fuel.

Furthermore, hydroelectricity also plays an important role on the country's economic development, as this kind of project provides for approximately 10 000 jobs during the construction of reservoirs and dams, construction of new cities in replacement of the projected to be flooded and construction of transmission lines. The Brazilian heavy industry has developed the technology to supply the hydroelectricity projects with equipment to provide the production of high levels of electricity, therefore such heavy industry development also helps the country to create jobs and achieve sustainable development.

Other activities which correspond to the company social and environmental responsibilities are described below:

a) Contribution to the local environmental sustainability:

The construction, installation and certification of FSCECP (two small scale hydro plants and two large scale hydro plants) demand the company to follow strict control of the environmental impacts, bringing direct environmental benefits. One example is the implementation of actions of a document ("Plan of Use and Occupation of Water and Frontiers of Santa Clara Hydro Power Plant's Reservoir" and "Plan of Use and Occupation of Water and Frontiers of Fundão Hydro Power Plant's Reservoir"), developed to establish criteria and parameters to guide the activities and forms of use that could be implemented in the reservoirs and its frontiers. Moreover, the operation of the project itself improves the environmental conditions, once the use of renewable energy sources lower the use of non-renewable ones.

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

Elejor, through Consórcio Construtor Complexo Jordão – CCCJ – hired more than 1.500 employees only during the construction. After the complex's construction, Elejor will need a specialized and dedicated work force for installation, operation and maintenance of the plant. Hence, FSCECP operation contributes not only for direct employment generation, but also for indirect employment, being those mainly from the technology field, as in research and development, as in the production and maintenance of equipments.

c) Contribution to income distribution:

The FSCECP implementation creates an income option through the electricity sale in addition to CERs revenue, ensuring a higher financial and energetic sustainability. New job positions were created during the complex's construction. As workers in the nearby cities live from a local agriculture and are usually low qualified, the project will contribute to income distribution through the creation of employment conditions with better salaries.

e) Contribution to regional integration and cooperation with other sectors:

Elejor used the local potentialities to attend the project's needs, as supply of food, fuel, transportation, security, materials, simple and specialized labor, commercialization of local forest products, rental of equipments and the construction and donation of a bridge to the counties around the project.

Elejor also invested financial resources on environmental education and communication in partnership with local educational network and technical and social assistance to the families removed due to the construction of the reservoir.

An effort among Elejor and the companies involved to execute the Environmental Programs allowed the total application of the company's Environmental Policy, with strong scientific advances to preserve the local fauna and flora, interacting with federal and state research institutions.