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Vale and BHP Billiton announce creation of fund the support the Rio Doce

The actions to recuperate the Rio Doce river system include the recomposition of riparian forest, water quality and aquatic fauna

Vale and BHP Billiton announced today plans to work together, with Samarco, to establish a voluntary, non-profit fund to support the rescue and recuperation of the Rio Doce river system, affected by an accident at Samarco's Fundão dam, in the state of Minas Gerais on November 5.

The fund would initially be sponsored by Vale and, BHP. The aim is to seek additional financial support from other private, public and NGOs. The initial value is still being defined. The objective, however, is that these resources would support the rescue and recuperation effort of the river system for the longer term.

It is proposed that the fund would have a committee to guide investment and oversee budget approval. The number of participants has yet to be defined, but it would likely include representatives from the private and public entities. A

dedicated team would be responsible for its management, according to the targets established. The fund would also undergo regular independent audits. The sponsors are finalising the governance, scope, financial and stakeholder arrangements associated with the fund to ensure it can be put into effect as soon as practicable.

The actions to recuperate the Rio Doce river system include the recomposition of riparian forest, water quality and aquatic fauna, as well as helping to rescue the biodiversity of the Rio Doce river basin.

Today just 4% of the original coverage of the Atlantic Forest remains in the river basin. Approximately 80% of the area is made up of degraded pastureland. The deforested earth hinders the infiltration of rainwater, which sustains groundwater levels. The flow of the Rio Doce in the dry months, which historically was 300 m³/s, fell in the region of Colatina (Espírito Santo State) in 2015 to 80 m³/s.

“It is Vale’s wish to bring together all of its efforts, seeking the support of society and the public and private sector in the recuperation of this important Brazilian river basin, right in the birthplace of the company,” says Vale’s CEO Murilo Ferreira.

Another important factor for the recomposition of the river basin is in the tributaries of the Rio Doce. The mud from the collapse of Samarco’s dam has deposited itself almost entirely on the channel of the Rio Doce after travelling down the Rio Carmo, one of its forming rivers. Tributaries such as the rivers Piranga, Casca, Matipó, Piracicaba, Santo Antônio, Corrente, Caratinga, Suaçuí Pequeno, Suaçuí Grande, Manhuaçu and Guandu remained unharmed and will be responsible for renovating the water and life of the Rio Doce.

Reserve

The fund will use seedlings from the Vale Natural Reserve (RNV) as part of the project to reconstruct the riparian forest along the Rio Doce. Considered to be one of the largest protected areas of the Brazilian Atlantic Forest, spanning 23,000 hectares, and maintained by the company in Linhares (Espírito Santo State) since 1950, the RNV is home to a nursery with the capacity to produce 3 million seedlings of native species per year, and is able to reach a production of over 5 million seedlings. This was where the 500,000 seedlings came from that were donated by Vale to reforest the old farm belonging to Sebastião Salgado, in Aimorés (Minas Gerais State), which is now home to the Instituto Terra. Over 2,800 vegetable species, around 1,500 insect species, 110 mammal species and 380 bird species have been catalogued at the RNV, corresponding to around 20% of the bird species registered across the whole of Brazil.

Since 2008, Vale has maintained a partnership with the Instituto Terra with projects to recuperate the Rio Doce river basin. During this period, the company has provided the NGO with over R\$4 million, half of which being destined for the Olhos D’Água project, which recuperates the sources of the Rio Doce, recently presented by Sebastião Salgado to President Dilma Rousseff. Until now, 328 sources have been protected and recuperated on the Rio Capim river basin, which includes the Rio Manhuaçu river basin, a tributary of the Rio Doce. Another 336 sources have been registered. The Rio Capim river basin covers around 80% of the area of Aimorés, providing water to more than 800 rural properties and six districts of the municipality.

According to a technical report provided by the Instituto Terra in April 2015, the river basin is suffering from a “progressive state of degradation, principally owing to an accelerated process of desertification taking place in the region, a phenomenon that is contributing to the disappearance of the sources of the river basin and its tributaries”. To cope with this advanced degradation, the Olhos D’Água project has trained and qualified 150 rural producers, and has installed over 114 septic tanks in their properties. In addition, 288 technical projects have been developed to make rural residences on the Rio Capim river basin more environmentally friendly.

In 2015, Vale also supported the Ecosystem Restoration Agent Training Project (ARE), which provided practical and socio-environmental awareness training to 15 professionals. The training of the students was offered at the Ecosystem Restoration Research Centre (NERE) at the Instituto Terra and also focused on teaching them to multiply their knowledge. As well as learning how to protect and recuperate river sources, these professionals also received training on

seedling production techniques, how to help small rural producers, honey production and environmental education programs.

Vale also signed the Terms of Agreement for the Water Availability Program for the Rio Doce (PDA Doce), promoted by the Instituto BioAtlântica, which aims to encourage and optimize actions to recuperate the availability of water in the region through integration and communication between the various key players involved. The program includes actions to recuperate native vegetation, preserve, protect and restore priority areas; actions to encourage and promote production and sustainable agriculture; development and training actions to combat the waste of water and encourage responsible use; and actions to develop technical innovation for the sustainable use of water resources.

Support to Samarco

Since the first day of the accident at the Fundão dam, Vale has been committed to helping Samarco. The company has provided human resources and materials, such as a helicopter and emergency equipment, to assist Samarco in its rescue operations, removing displaced residents from high-risk locations and providing water to the cities in the states of Minas Gerais and Espírito Santo that lost their supplies. Until now, Vale has supplied 14.5 million litres of mineral water to meet the needs of the population along the Rio Doce.

Vale, together with BHP Billiton, has supported Samarco in the creation of an emergency volunteer fund of R\$1 billion to help the victims of Minas Gerais, which has already been approved by the federal and state prosecutor's offices. Samarco, together with the support of Vale and BHP, also signed a preliminary Socio-environmental Commitment Agreement (TCSA), with the federal and Espírito Santo State prosecutor's offices with the aim of establishing actions to prevent and mitigate the socio-environmental impacts resulting from the accident in the region.

More information



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