

 Type what you want to search

Search

02/04/2021



## Agreement seals Vale's commitment to full reparation of Brumadinho and support economic development of the State of Minas Gerais

*Court of Justice of Minas Gerais mediated the R\$ 37,7 billion agreement with the State of Minas Gerais, the Public Defender of the State of Minas Gerais and the Federal and the State of Minas Gerais*

Vale informs that, today, it entered into a Global Settlement with the State of Minas Gerais, the Public Defender of the State of Minas Gerais and the Federal and the State of Minas Gerais Public Prosecutors Offices, to repair the environmental and social damage resulting from the B-1 dam rupture, which occurred on January 25, 2019, in Brumadinho, Minas Gerais. The mediation process was conducted by the Court of Justice of Minas Gerais, through the Judicial Center for Resolution of Conflicts and Citizenship. The Global Settlement has an economic value of R\$ 37,689,767,329.00 (thirty-seven billion, six hundred and eighty-nine million, seven hundred and sixty-seven thousand, three hundred and twenty-nine reais), contemplating socio-economic and socio-environmental reparation projects.

In the socioeconomic part, the settlement encompasses projects demanded by the affected communities, a program of income transfer to the affected population - replacing the current payment of emergency aid - and projects for Brumadinho and for the other municipalities of the Paraopeba Basin, in addition to resources for the Government of the State of Minas Gerais to carry out the Urban Mobility Program and the Public Service Strengthening Program.

Regarding the socio-environmental reparation, the Global Settlement establishes the guidelines and the governance for the execution, by Vale, of the Reparation Plan, as well as projects to be implemented as compensation for the environmental damage already known and projects aimed at water security in the impacted region.

The Global Settlement results from a high-level mediation process, conducted by the CEJUSC, part of the TJMG, over the past few months, and aims at a quick solution to mitigate the impacts of the dam rupture on the State of Minas Gerais and the affected regions.

**"Vale is committed to fully repair and compensate the damage caused by the tragedy in Brumadinho and to increasingly contribute to the improvement and development of the communities in which we operate. We trust that this Global Settlement is an important step in that direction. We know that we have work to do and we remain firm in that purpose, in line with our New Pact with Society"**, said Vale's CEO, Eduardo Bartolomeo.

The demands set forth in public civil actions and resolved with the Global Settlement refer to the socio-environmental damage caused by the dam rupture, as well as the socio-economic reparation, referring to lato sensu collective damage and homogeneous, non-divisible individual damage. Indemnifications for individual divisible damages are excluded from the Global Settlement. Regarding these, Vale reinforces its commitment to fair, swift and equitable reparation through the signing of individual settlements based on the Term of Commitment entered into with the Public Defender of the State of Minas Gerais on April 5, 2019.

**"The mediation process conducted by the Court of Justice of Minas Gerais allowed the construction of a Settlement that definitively ends the disputes with the State of Minas Gerais, the Federal and State Public Prosecutors, and the Public Defender of Minas Gerais. The institutions engaged in the construction of the Global Settlement ensured swift, fair and effective solutions in a process conducted with transparency, legitimacy and legal certainty"**, said Vale's General Counsel, Alexandre D'Ambrosio.

**"According to the governance established in the agreement, the fulfillment of the agreed obligations will take place in two forms: upon payment of commitments, with defined values and schedule for projects managed by the State of Minas Gerais and Institutions of Justice; and upon the conclusion, by Vale, of the projects predefined in the settlement, that mainly include socio-environmental reparation projects"**, said Luiz Eduardo Osorio, Vale's Sustainability, Communication and Institutional Relations director.

### Vale maintain its commitments in Brumadinho and the region

Repairing damage caused fairly and quickly is essential, and Vale has prioritized initiatives and resources for this purpose. Since the first hours after the breach, two years ago, the company has taken care of the impacted families,

providing assistance to restore their dignity, well-being and livelihoods. In addition to meeting the most immediate needs of the affected people and regions, it is also working to deliver projects that promote lasting change to recover communities and benefit the population effectively.

**"Vale's commitment is to promote a full repair of the damages associated with the disruption of dam B1. In this sense, the agreement includes countless measures for reparation, from actions to mitigate the impact over people and communities to projects aiming at strengthening the economy in the impacted municipalities. Many initiatives are still being implemented by Vale, while others will be handled by the State of Minas Gerais and its institutions, with resources provided by Vale. We acknowledge our responsibility and commitment with full repair, in a spirit of solidarity with people, families, communities and affected territories",** said Marcelo Klein, Vale's recovery and development director.

Committed to indemnifying fairly and quickly all those affected, the company has already paid more than R\$ 2.4 billion in indemnities. In all, 8,900 people have already signed indemnity agreements with Vale, through labor courts and civil indemnities. The company also makes available to all the indemnified people the Full Assistance Program for the Affected People, which offers, for two years, psychosocial support, financial education and recommendations on the purchase of real estate and productive resumption. This allows families to make plans for the future, in face of new economic and socio-environmental conditions. More than 3,000 people have already joined the program, which is voluntary and free. In addition, the monthly emergency payment continues to be paid to over one hundred thousand people living in Brumadinho and up to 1 km from the Paraopeba riverbed. The resources allocated to emergency assistance exceed R\$ 1.8 billion.

Socio-environmental measures in Brumadinho also include:

- Professionals from the Family Reference Program support 446 families in Brumadinho. Another 300 from the impacted territories also receive assistance. In addition, to date, more than 64,000 medical visits and psychosocial care services have been provided to the population.

- Vale continues to move forward with actions that will allow the recovery of the Paraopeba River and the impacted biodiversity on the fronts of containment, removal, disposal of tailings and dredging of the river, which are essential activities for the Paraopeba waters to return to their conditions prior to the breach.

- Through a partnership with the Federal University of Viçosa, Vale is rescuing the DNA of native plants and creating copies to start the reforestation process, which should start in the first months of 2021. The company has also planted more than 4,000 seedlings of native species in riparian forests in the region.

More information about measures and maintains a schedule for full repair in Brumadinho is available at

[http://saladeimprensa.vale.com/en/Paginas/Articles.aspx?](http://saladeimprensa.vale.com/en/Paginas/Articles.aspx?r=As_the_pandemic_advances_Vale_reinforces_protection_measures_and_maintains_a_schedule_for_full_repair_in_Brumad)

[r=As\\_the\\_pandemic\\_advances\\_Vale\\_reinforces\\_protection\\_measures\\_and\\_maintains\\_a\\_schedule\\_for\\_full\\_repair\\_in\\_Brumad](http://saladeimprensa.vale.com/en/Paginas/Articles.aspx?r=As_the_pandemic_advances_Vale_reinforces_protection_measures_and_maintains_a_schedule_for_full_repair_in_Brumad)

More information 



Media Relations Office

[imprensa@vale.com](mailto:imprensa@vale.com)

[Click here](#) to see our contacts