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CVRD clarifies about Indian mine invasion

Companhia Vale do Rio Doce (CVRD) clarifies that:

- 1) CVRD, the National Indian Foundation (Funai) and representatives of the Xicrin do Cateté and Djudjêkô Indian communities will hold a meeting Tuesday (October 31st) in Brasilia to address the October 17th Indian invasion into the company's installations in Carajás, Pará state;
- 2) At the meeting, CVRD will inform that it is cancelling the Terms of Commitment concerning financial aid it has with those communities and Funai, according to existing contract cancellation clauses in the case of actions developed by Indians aimed at the stoppage of company activities;
- 3) On Oct 19th, CVRD requested a criminal inquiry to investigate several crimes including invasion of industrial organization and gang formation;
- 4) In the next days, CVRD will file a lawsuit to ask for compensation for the losses caused by the invasion. In the two days of stoppage, about 650,000 tons of iron ore were not shipped, representing a loss of about US\$ 10 million, in addition to the material damage caused to CVRD's installations in Carajás;
- 5) CVRD will also report the case to the Organization of American States;
- 6) CVRD reaffirms that, in the past years, it has been providing financial resources to the indigenous communities in collaboration with the public bodies. It is important to note that it is a state responsibility to guarantee the financial resources to meet the needs of these communities, acting through Funai and other government entities;
- 7) It is time for the state to define and implement policies to support the sustainable development of the indigenous communities in the entire Brazilian territory. Private enterprises no longer may live with illegalities conducted by the Indians, who have been carrying out actions which may be characterized as extortion, theft, gang formation, invasion of industrial organization among other crimes;
- 8) CVRD states that it is willing to maintain its support, direct or indirectly to the federal government, to implement development programs for the indigenous communities. CVRD will not negotiate with the communities that use illegal means to force the Company to accept their demands and will not give in to blackmail of any kind;

Social and Environmental Responsibility

- 9) CVRD is a company with rigorous social responsibility practices. It has been implementing social and environmental programs in the regions where it operates, benefiting about three million people and preserving near 1.2 million hectares of natural forest;

- 10) Vale do Rio Doce Foundation's programs promote the social development of the population of about 500 municipalities, making CVRD one of the companies with the biggest social programs in Brazil. We may note: Vale Alfabetizar, which will help more than 120,000 people to learn how to read and write; Escola que Vale, which supports 321 schools in the states of Minas, Espírito Santo, Maranhão and Pará; Voluntários Vale (Volunteers Vale), which encourages company employees to participate in volunteer programs benefiting 60,000 people in various states;
- 11) On the environmental front, the Company clarifies that the mines and the remaining operational activities of CVRD follow the highest international standards of environmental management. All the mines have a ISO 14001 certification;
- 12) We may also point out that Carajás National Forest is today a green oasis in the Amazon -- an area that CVRD is helping to preserve in a region where deforestation is a serious problem. Of a total of about 400,000 hectares of national forest, only 2% are used for mining;
- 13) In the municipality of Linhares, Espírito Santo state, the Company preserves 22,000 hectares of Atlantic Forest in the Vale do Rio Doce Natural Reserve;
- 14) About 39,000 CVRD employees and 98,000 third-party employees receive training which emphasize social and environmental practices and work safety procedures;
- 15) CVRD has been providing significant amounts in financial aid to the Indian communities along the years, always through the terms of commitment with participation of Funai. This support has been voluntary - therefore, it is not a legal obligation - helping a population of about 3,500 Indians in the areas of education, health, water services, harvesting of forest products and implementation of family-scale agriculture;
- 16) CVRD reaffirms its commitment to the sustainable development of the regions where it operates.

More information



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