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## CVRD's investments in Maranhão rise 11.3% in 1Q05

The investments of Companhia Vale do Rio Doce (CVRD) in Brazil's northeastern state of Maranhão totaled US\$ 88.9 million in the first quarter of 2005, an increase of US\$ 10 million compared to the same period last year. CVRD earmarked US\$ 556,100 for environmental activities and US\$ 1 million for social projects. CVRD's operations in the state have created 9,440 direct and indirect jobs, considering only the jobs at the company facilities, in Maranhão. Also, more than 370 young persons have started working at CVRD in internship and professional qualification programs.

Total cargo shipped by Ponta da Madeira maritime terminal at the end of the quarter reached 17.3 million tons (Mt), up 19% from the same period of 2004. The shipping of iron ore and pellets totaled 16 Mt to Europe, Asia and Middle East. The highlight of the period is the shipping of soybean harvested in the South of Maranhão, Piauí and Tocantins. During the first quarter, 57.4 thousand tons of grain arrived into the international markets.

Specifically to comply with the demand for soybeans and bran, CVRD and its clients invested in the structure of the Maritime Terminal, with the implementation of a new trailer dumper, increasing the capacity from 50 to 100 trucks per day. Also two new silos were built, one with capacity to store 46.5 thousand tons of soybeans, owned exclusively by CVRD, and another belonging to Bunge (client company) with 25 thousand tons. With this, the company increases its infrastructure to six silos with a storage capacity of 196 mil tons of grains in total.

### Iron products

The main projects of the first quarter in the area of iron ore are part of the expansion plans of the Ponta da Madeira maritime terminal and involved investments of about US\$ 50 million. Among them, the conclusion of the works of the third railcar dumper at São Luís, with capacity for unloading eight thousand tons/hour of ore from Carajás. The equipment, in test stage, will unload a train with 104 wagons, with an average cycle of 85 seconds to dump a pair of railcars, at every turn.

During the first quarter, a stacker-reclaimer was also implemented, with capacity of 8 thousand tons/hour. Built in Brazil, with Japanese technology, the machine has provided more flexibility to the operation, since it can stack and reclaim ore, used for railcar unloading and ship loading.

During this period, civil works of two new ore storage yards started. Currently, CVRD has six yards in São Luis with capacity for 4.2 million tons for handling and storage of iron and manganese ores and pellets. With these two new yards, the storage capacity will increase to 5.4 million tons.

### Logistics

Total investments in Logistics were US\$ 35.1 million during the first quarter of 2005. In order to increase the operational efficiency of Estrada de Ferro Carajás (EFC), US\$ 15.9 million were invested relative to an installment for the acquisition of 126 railcars for ore transport, of a fleet of 5619 railcars, and US\$ 9.7 millions were set aside for the acquisition of locomotives to meet the demand for ore and general cargo transport. After that, the locomotive fleet increased to 114. During this period, eight train drivers were hired. US\$ 1.2

million were earmarked for the maintenance of the railway network and US\$ 8.3 million for the acquisition of signaling equipment and others.

Carajás railway maintained its good performance during the period, with a total of 19.2 million tons of transported cargo, including 17.6 Mt of iron ore, 705.3 thousand tons of pig iron, 133.9 thousand tons of soybeans, 506.6 thousand tons of manganese and 255.3 thousand tons of general loads. The passenger trains, which during this rain period is, in some places the main means of transportation, carried 105,697 people.

## Records

The Pelletizing Plant of São Luís celebrated a record daily production in January, with 20.5 thousand tons of pellets, overcoming the previous 20.2 thousand tons mark on November 29 2003. The plant, with total capacity of six million tons/year, produced 1.5 Mt of pellets from January to March.

Estrada de Ferro Carajás reached a new monthly record in manganese transport in January, reaching 195.2 thousand tons of product and overcoming the previous 193 thousand tons mark of July 2004.

## Environment

Environmental investments amounted to US\$ 556,100. The main projects are related to the construction of new cells in the sanitary landfill, for disposal of ordinary waste from the facilities of CVRD in São Luís. The works of the sanitary landfill began in December last year, rely on high technology to reduce effluents and assure the non-contamination of the soil. Of the US\$ 220.7 thousand estimated for this project, US\$ 148.5 thousand were invested; the project will be concluded in July of the current year.

Works for the implementation of two settlement basins for solids from the ore and pellet storage yards were also conducted. Part of the water stored in the basins is reused in the production process and for control of atmospheric emissions. During the first quarter, improvements were conducted in the ore transport line, allowing for the control of the waste generated in the process.

## Social

Fundação Vale do Rio Doce (FVRD) invested R\$ 2.6 million in social actions in Maranhão during 1Q05. Besides continuing the social projects already implemented in the state, FVRD, in partnership with the municipality of Rosário, implemented the project "Vale Alfabetizar", which is expected to benefit about 4,000 students by 2010. The project is expected to benefit about 19,000 people of Açailândia, Alto Alegre do Pindaré and São Pedro da Água Branca, until July 2007. During last year, 2,213 learned to read in these municipalities.

## More information



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