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## CVRD generates over 8,000 jobs in Maranhão in 2004

The investments of Companhia Vale do Rio Doce (CVRD) in Brazil's northeastern state of Maranhão, totaled US\$ 207.3 million in 2004. This amount was distributed in the areas of Iron Products (US\$ 80.8 million), Logistics (US\$ 116.4 million), Pelletizing (US\$ 5.5 million) and Environment (US\$ 4.6 million). Social and Cultural actions were also part of the investments of the company in Maranhão last year. The amounts invested in social actions totaled R\$ 2.6 million and Cultural actions, R\$ 1.3 million including sponsoring and special projects.

The company invested US\$ 154.0 million in the Program for Increasing Production Capacity to 70 million tons/year (Mtpa) and US\$ 33.4 million in the Program for Expansion of the Production Capacity 85 Mtpa. The company's largest investment in the Iron Product area was US\$ 27.7 million for the conclusion of the civil works of Pier III, a new maritime terminal of CVRD which integrates with Piers I and II.

The construction of the third dumper railcar involved US\$ 11.8 million. This equipment is used for unloading the ore from railcar coming from Carajás, in Pará state. Electromechanical works services, begun in 2004, are expected to be concluded in the first half of 2005. The expansion of the ore storage yards, which involved US\$ 8.6 million, was concluded in 2004, increasing storage capacity from 2.8 to 4.1 million tons.

On 2004, CVRD's operations in Maranhão generated 8,623 direct and indirect jobs. Also, more than 300 young persons started working in the company through the Internship and Professional Qualification Program. CVRD also has more than 200 active contracts with companies in Maranhão and about 1,500 registered local suppliers.

### Logistics

During last year, the Logistics area invested US\$ 116.4 million in several projects, mainly in revamping and expansion of structures for transport and export. This amount does not include the amount of US\$ 599,700 in the Environment. With investments of around US\$ 660,000, the company has concluded the revamping of the General Load Yard, at Pier II, berth leased by CVRD, located at the Port of Itaqui. Another expansion, concluded in December 2004, was the pig iron storage yard, started in January 2003 and required investments of US\$ 521,400.

Total grain storage capacity increased from 122.5 thousand tons to 194 thousand tons during last year. Two silos were added - one with capacity to store 46.5 thousand tons of soybean, owned by CVRD, and another of 25 thousand tons, belonging to a client company. Currently, CVRD has six silos under operation. The transport of the harvest was guaranteed with the acquisition of 169 railcars in 2004, specific for soybean transport.

In order to assure the safety of the community of Pedrinhas, passageway of Estrada de Ferro Carajás, the Company set aside US\$ 102,100 for the improvement of a tunnel for pedestrian traffic.

### Exports

Terminal Marítimo de Ponta da Madeira saw its exports reach 66.6 million tons (Mt), of which 54.9 Mt of iron ore; 6.1 Mt of pellets; 2.4 Mt of pig iron; 1.1 Mt of soybeans; 1.9 Mt of manganese and 269.1 thousand tons of copper concentrate. Of

all the products, the most important was iron ore, whose shippings rose from 50.4 Mt in 2003 to 54.9 Mt during last year, and pellets that ended 2004 with 6.1 Mt, 67% more than during 2003.

The exported soybean volume increased 13% percent from the prior year, with 920 thousand tons. The largest increase was seen at the soybean bran export, which in 2004 totaled 45.7 thousand tons, more than double compared to the 21.9 thousand tons in 2003, when the product was exported for the first time.

### **Shipping Evolution at Terminal Marítimo de Ponta da Madeira (Mt)**

#### **Records**

The iron ore volume transported by EFC was a record on 2004, totaling 67.1 million tons (Mt), compared with 57.6 Mt in the prior year. General load transport was also a record, with 6.6 Mt, about two thousand tons more than in 2003. During last year, the shipping volume at Terminal Marítimo de Ponta da Madeira was 13.98% larger than the 58.4 Mt of the prior year.

Also important was the pellet export totaling 6.0 Mt shipped on 2004, increasing 67% in comparison with 2003.

#### **Environment**

The Iron Product and Logistics areas of CVRD together invested US\$ 4.6 million in environmental activities. Of this amount, US\$ 4.0 million were in the Iron Product area, with emphasis in the projects at Terminal Marítimo de Ponta da Madeira. This included the concrete paving of the belt conveyor transfer area, conveying the ore for ship loading; works in the settlement basin of Pier III and implementation of two water storage and settlement basins in the drainage system of the ore storage yards. The Logistics area continued, last year, the project for changing the painting of the locomotives and railcars of the railway. The applied technique is steel shot-blasting in closed cabin, avoiding the emission of paint aerosol to the environment. This project is forecasted to end in 2006.

CVRD has also concentrated its efforts in the improvement of its Safety and Occupational Health Management System, which in addition to investments in equipment and protection material, also conducted awareness campaigns and permanent training among workers and third parties.

#### **Social**

Fundação Vale do Rio Doce (FVRD), the company's foundation in charge of developing and implementing CVRD social projects, invested R\$ 2.6 million in social activities in Maranhão in 2004. Currently, there are eight social projects of the Foundation in progress in the state: Escola que Vale (Vale School), Education nos Trilhos (School on Rails), Vale Alfabetizar (Vale Adult Learning), Vale Informática/CDI (Vale Computer/CDI), Cidade Vale Mais (Vale City), Trem da Cidadania (Citizen Train) and "Talher" (Fork and Knife).

The Escola que Vale program has celebrated 100% of the participant children that have learned to read and write in São Luís; 97% in Açailândia and 95% in Alto Alegre do Pindaré/MA. In 2004, the program received R\$ 868,300 for professional qualification for teachers, art workshop promotion, reading and writing, Internet access as an instrument for training and maintenance of the Casa do Professor (Teacher's House). In Maranhão, the program benefits 10,070 students, 343 teachers, principals and supervisors of 38 schools in the municipalities of Açailândia, Alto Alegre do Pindaré and São Luís.

To eliminate the lack of illiteracy, FVRD develops Vale Alfabetizar, which in partnership with public authorities and university institutions searches for teachers in the communities to be in charge of teaching the future students. About R\$ 320,000 were invested in this project, which will benefit 19,000 people in Açailândia, Alto Alegre do Pindaré and São Pedro da Água Branca, until July 2007. In 2004, 2,213 learned to read and write with this project.

Another very representative project developed in São Luís is Education para Limpeza Urbana - ELU (Education for Urban Cleaning), a partnership of CVRD with the community and public municipal authorities. Implemented at Itaquí-Bacanga, ELU has the purpose of improving the urban cleaning system, with mobilization, education and qualification of the region's residents. Contributing to improve life quality of the local population, with the community in the main role, is the main result expected from the project.

#### **CVRD Consolidated Investments in 2004**

Area	Amount in US\$ and R\$ (reais)
Iron Products	US\$ 80.8 million
Logistics	US\$ 116.4 million
Environment	US\$ 4.6 million
Pelletization	US\$ 5.5 million
Social	R\$ 2.6 million
Culture	R\$ 1.3 million
TOTAL	US\$ 207.3 million and R\$ 3.9 million

#### **More information**

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