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Vale signs Final Agreement with Samarco, BHP and Brazilian authorities

The Agreement represents an important step towards solving the challenges caused by the Fundão tailing dam accident

Vale informs that, on June 25, 2018, it has entered into a final agreement (Agreement) with Samarco Mineração S.A. (Samarco), BHP Billiton Brasil Ltda (BHP Brasil) and the following institutions: the Federal and State Prosecution offices ("Ministério Público Federal e dos estados de Minas Gerais e Espírito Santo"), the Federal Public Defenders' office and the State Public Defenders' offices of Minas Gerais and Espírito Santo ("Defensoria Pública da União e dos Estados de Minas Gerais e Espírito Santo") and the Federal Attorneys' office and State Attorneys' offices of Minas Gerais and Espírito Santo ("Advocacia Pública da União e dos Estados de Minas Gerais e Espírito Santo"). The agreement establishes, among other matters, innovations in the governance of the Renova Foundation to ensure a greater participation of the affected people and a process to deal with a possible renegotiation of the programs designated to repair the disruption of the Fundão tailing dam, to be assessed after the conclusion of the work of specialists hired (Experts) by Samarco to advise the Federal Prosecutor's Office.

The Agreement represents an important step towards solving the challenges caused by the Fundão tailing dam accident, especially by increasing the participation of the affected people in the governing bodies of the Renova Foundation. Renova Foundation remains as the entity responsible for the 42 programs agreed upon the first Framework Agreement signed in March 2016. The agreement establishes a period of two years for the Federal Prosecutors' Experts, who monitor the execution of the Renova Foundation programs, to present their findings. In addition, the Agreement extinguishes relevant lawsuits, among which, the Public Civil Action of R\$ 20 billion filed by the Union and the states of Minas Gerais and Espírito Santo. As for the Public Civil Action of R\$ 155 billion, those which are sanctioned by the Agreement will be immediately extinguished. The remaining ones continue suspended until the acceptance of the Renova Foundation's Programs, or the eventual renegotiation of these Programs, leading to their future extinction. The agreement also settles the discussion about the legal guarantees set at the amount of R\$ 2.2 billion, thus bringing greater legal certainty to the parties concerned.

"The Agreement is important because it demonstrates a convergence of interests between the parties, Vale, BHP Brasil, Samarco, the Federal Prosecution offices, the Federal and State Attorneys' offices and the Federal and State Public Defenders' offices, representing a further improvement for the affected people, as it consolidates and broadens the scope of the actions that were already being implemented by the Renova Foundation." commented Mr. Fabio Schvartsman, Vale's CEO.

The undertakings established in the Agreement depend on legal approval by the court of the 12th Vara Federal Cível/Agrária de Minas Gerais (Federal Court of Minas Gerais).

More information



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