

## **OPEN LETTER TO THE PEOPLE OF THE WORLD.**

The CONSORTIUM OF MUNICIPALITIES OF THE ROAD IRON CARAJÁS MARANHÃO / BRASIL - COMEFC, formed by the cities of: **AÇAILÂNDIA, ANAJATUBA, ALTO ALEGRE DO PINDARÉ, ARARI, BACABEIRA, BOM JARDIM, BOM JESUS DAS SELVAS, BURITICUPU, CIDELÂNDIA, IGARAPÉ DO MEIO, ITAPECURU MIRIM, ITINGA DO MARANHÃO, MONÇÃO, MIRANDA DO NORTE, PINDARÉ MIRIM, SANTA INÊS, SANTA RITA, SÃO FRANCISCO DO BREJÃO, SÃO PEDRO DA ÁGUA BRANCA, SÃO LUIS, TUFILÂNDIA, VILA NOVA DOS MARTÍRIOS e VITÓRIA DO MEARIM** come publicly before all peoples of the world, the Brazilian authorities and Maranhão, exposing the serious problems caused by the company VALE SA in the communities through which the more than 680 km of railway that cut Maranhão, totaling 892 km of the Carajás Railroad, report the lack of commitments, and present their claims.

Founded in 1942, through Decree-Law by President Getúlio Vargas, mixed capital company, Vale SA (VALE DO RIO before COMPANY SWEET) is the largest diversified mining company in the Americas and the fourth largest industry in the global mining and metals.

After its foundation, VALE SA gotta go, little by little, expanding its production of iron ore, but still so very slow.

Brazil had large reserves of the mineral, but demand was reduced. VALE SA, in turn, practically lived only to provide raw material for the domestic steel mills, the largest being the National Steel Company.

With the creation of Docenave in 1962, and the inauguration of the Port of Jaws in 1966, VALE SA entered a phase of rapid growth in its production increased from 10 million tons / year in 1966 to 18 million in 1970 and reached a staggering 56 million

tons / year in 1974, when the state took over the then world leader in the export of iron ore, which has never lost.

In 1979, Vale SA became the majority shareholder of the Carajás complex, which was discovered in the 1960s. Located in Serra dos Carajás, the Great Carajas Project - PGC, is an immense province mineralogical containing the largest reserve of iron ore of high grade in addition to large reserves of manganese, copper, gold and rare ores.

To carry out this project, we created a large infrastructure, which includes Tucuruí Hydroelectric Plant, one of the largest in the world, the Carajás Railroad-Ponta da Madeira Maritime Terminal and the Ponta da Madeira, located in São Luís (MA) .

The Great Carajás Project - PGC went into operation in 1985, which allowed VALE SA hit new record in the extraction of iron ore in 1989, with 108 million metric tons.

When it was privatized in 1997, VALE SA produced 114 million tons / year, a level that remained stable for two years following privatization, to rise sharply in 2000. Soon after privatization, the company's profits have increased considerably.

Thereafter VALE SA accounts for huge gains in profitability, which was due mainly to the large increase occurred in the price of iron ore - which rose 123.5% between 2005 and 2006 - thanks to increased global demand, especially by China - which allowed the VALE SA, the largest holder of reserves of iron ore in the world, making heavy investments and implement management controls, making it even more competitive, and thus maintain its position as the largest exporter of iron ore the world.

In 2006 VALE INCO SA incorporated CANADIAN making it the 31st largest company in the world, reaching a market value of R \$ 298,000,000,000.00 (two hundred ninety-eight billion reais). In recent years, VALE SA strengthened its business strategy to increase production of iron ore and nickel. With good financial results, the company ranks first in the standings of the largest mining companies.

In 2011, net income was worth R\$ 39.17 billion (record across the company's history), the highest among all national companies, and the company achieved record shipment of iron ore to 300 million tonnes. A company's largest operation is in Carajás, Pará, one of Brazil's richest regions in iron ore. Runoff these operations in Pará, however, passes through the territory maranhense EFC, and the Ponta da Madeira Maritime Terminal.

Currently underway is the Carajás Iron Project S11D, whereby VALE SA aims to increase its production and hence exports. To do so, build a whole infrastructure that includes, among other things, the expansion of Carajás Railroad (DUPLICATION) and the Ponta da Madeira Maritime Terminal in Sao Luis. With expected completion in 2016. With investments totaling more than R \$ 40 BILLION and capacity increase of 130 MILLION TONS PER YEAR, for 230 MILLION TONS PER YEAR.

The Great Carajás Project - PGC, formed by its complex MINE, RAILROAD and PORTO, overwhelmingly generates strong influence when the operations of Vale SA in Maranhão municipalities that are traversed by RAILWAY - 23 municipalities, including the capital São Luís, that gives rise beyond RAILROAD production through Ponta da Madeira Maritime Terminal, where it is shipped for export. VALE SA also has a pelletizing plant in São Luis / MA, which processes material from Carajás.

Along with all these data involving figures as a millionaire investments and profits, are the inevitable damage to the environment, to society in general, and in particular, to the citizens who live in the communities covered by the RAILROAD, ie, the 23 municipalities which today form the COMEFC.

VALE SA, through their actions, generates a great impact and violates human rights. Despite being a signatory to the UN Global Compact, the International Council on Mining and Metals (ICMM) and the Corporate Sustainability Index of the Stock Exchange of São Paulo, which set out principles of corporate social and environmental responsibility in 2011 VALE SA was voted the "worst company in the world" by The Public Eye Awards Award (Public Eye), one nongovernmental initiative that annually selects the cream of the "corporate world shame" in terms of environmental and social problems.

Maranhão is no different. The social liability is incalculable.

The Carajás Railroad VALE SA cuts 23 municipalities of Maranhão in their 892 km. Within this range the railroad there is a series of communities with intense flow of people. However, deficiency of protective mechanisms and signaling causes a person each month, on average, die hit by trains operated by Vale, and several accidents medium and large proportions lossy materials.

And the social impacts do not stop there. In some communities the impacts more senses, beyond the roadkill-dead people are shake and cracks causing damage to homes, removing families or appropriation of a portion of their lots by Vale; noise pollution damage caused to local roads by large vehicles, the compulsory removal of families; interdiction conducting gardens near the railroad, the arrival of a large number of male workers putting at risk adolescents in situations of social vulnerability (the example occurred in the city Bom Jesus das Selvas - MA).

In the municipality of Açailândia / MA, the population suffers from severe respiratory problems and skin arising Unit Charcoal Production and Steel Units, especially in communities: Piquiá de Baixo, Novo Oriente and Assentamento Rural Califórnia.

In Bom Jesus das Selvas / MA, the problem is the increase in cases of prostitution and sexual exploitation. The city of about 25,000 inhabitants, has been suffering with the arrival of workers to the works of doubling the Carajás railway. Low-income adolescents in prostitution in exchange for clothes, shoes or amounts of R \$ 30.00 (thirty reais) to R \$ 50.00 (fifty reais).

Still in Maranhão, through successive administrative appeals, Vale SA is preventing traditional maroon communities of Santa Rosa dos Pretos and Belo Monte in Itapecuru-Mirim, have collective ownership of their lands demarcated by the Brazilian state. With that Vale SA plans to see facilitated the transit of men and their machines aimed at doubling works Carajás Railroad (projects 150 and CLN S11D), currently underway.

Not enough social impact ever perpetrated all these years of operation, the new project of doubling the Carajás railroad, according to the project submitted to IBAMA, VALE SA provides removal along the rail, what she calls 1,168 "points of interference": fences, houses, gardens, plantations and entire towns.

Note that the municipalities of Maranhão receiving influence the operations of Vale SA, investments need to reflect on concrete and sustainable results are consistent, and the height of the hand and the social debt that Vale has with this population.

Over the nearly thirty (30) years of operations in Maranhao, the municipalities of Maranhão have spent a lot of wealth and no development has lagged. About 90% (ninety percent) of the municipalities covered by the EFC live in a total state of misery. It is unacceptable, unthinkable and immoral, the existence of so much misery, in a region where we have the BIGGEST AND MOST PRODUCTIVE MODAL LOGISTICS WORLD: The Great Carajás Project - PGC, formed by its complex MINE and railroad.

It is not permissible for other municipalities, which contribute little to the VALE SA and are less strategic investments NEVER MADE receive in our state.

Denying the obligation of Vale SA with communities in Maranhão is to renounce the recognition and protection of certain values, assets and legal claims essential to humans in general. Is DENYING the existence of Fundamental Human Rights. These rights under the 1988 Constitution, specifically Article 5, § 1, to be rules defining the rights and guarantees, have immediate application. DENY is mainly the foundations of the Republic sculptured in Article 1 of the Constitutional Charter, specifically their sections II, III, IV, citizenship, dignity of the human person and social values of labor and free enterprise.

Thus, based on our constitutional right positive, and mainstreaming the formal and material already referred to, it is up to VALE SA indemnify people who live in areas of influence of its operations.

We have also, in the same catchment area of operations VALE SA, according to

calculations of social organizations, massive environmental damage. Vale SA is charged to emit tons of carbon dioxide gas which heats the atmosphere, and tons of particulate matter (dust and smoke). Added to this the emission of nitrogen dioxide and oxides of sulfur.

In communities along the Carajas Railway in Maranhão (Santa Rosa dos Pretos, Monte Belo, Bom Jesus das Selvas, Nova Vida, Novo Oriente, Francisco Romão, João do Vale, Planalto I, Planalto II, Agro Planalto, Vila Diamante/P.A, Jutay, Alto Alegre do Pindaré, Vila Labote, Vila Pindaré, Vila Concórdia and Vila União), a total of more than 6.500 families, the environmental impacts are felt most air pollution by particles of iron ore; trampling of wild animals, domestic animals trampling load and food consumption; landfill streams caused by the construction of the railway and its maintenance, contamination of streams by particulate iron ore, and the siltation of dams.

In this respect, as well as social harm presented above, VALE SA contradicts the Federal Constitution which says in Article 225 that the environment is an asset of common use and a right of all citizens, present and future generations, with the Government and the community have to preserve it and defend it.

It should be noted that the Brazilian Constitution has a separate chapter on environmental issues (Chapter VI, Title VIII), and comes along several other items, the obligations of the company and the Brazilian government for the environment.

One can not lose sight of the enjoyment of a healthy environment and ecologically balanced was erected right in the community by legal force, which reveals a remarkable breakthrough for the construction of a system guarantees the quality of life of citizens.

The Charter recognizes that the issues pertaining to the environment are of vital importance for the whole of our society, whether they are necessary for the preservation of values that can not be measured economically, is because environmental protection is a general constitutional principle that affects economic activity, pursuant to article 170, section VI of the Constitution, in pursuit of

sustainable development.

Whereas the ecologically balanced environment is a fundamental right of all, the legal nature fits in terms of diffuse rights, since it is an individual right, the indivisible nature, they hold people indeterminate and linked by factual circumstances. To cause environmental damage is reported here VALE SA, without a doubt, disrespecting, also in this respect the Federal Constitution.

This whole range of damage, social and environmental, contribute overwhelmingly to low levels of HDI Maranhão municipalities along the Carajás railroad - EFC.

Improve these indicators is the beginning of the struggle of the 23 municipalities of Maranhão who are under the influence of GREATER AND MORE PRODUCTIVE MODAL LOGISTICS WORLD: The Great Carajás Project - CMP, formed by its complex MINE and railroad. Are united in the Consortium of Municipalities of the Carajás railroad - COMEFC certainly be achieved in order to contribute to the development of the state of Maranhão.

And as Vale SA, causing many social and environmental impacts begin to minimize them from now on?

In São Luís / MA, VALE would contribute USD 2.00 per ton exported by Ponta da Madeira Maritime Terminal, for the Municipal Development Fund and Urban Mobility - FDMU, to be instituted by the municipality. These funds will be used to share infrastructure and urban mobility, due to the impacts from the urban sprawl of São Luís, caused by overwhelming growth Ponta da Madeira Maritime Terminal, to serve the project and CLN S11D 150 VALE SA

Structuring actions mainly axes: Itaqui - Bacanga; Centro, Camboa, São Francisco, Vila Maranhão (traffic flow from all adjacent neighborhoods), Orla marítima de São Luís, Plan for Prevention and Protection of the Bay of São Marcos, etc..

For the remaining 22 counties affected by the Carajás railroad - EFC shall be established in each of them, the Municipal Development Fund - FDM. VALE SA will

contribute directly to the fund with USD 5.00 per ton drained through the Carajás Railroad. This fund shall be managed shared between the municipal government and representatives of civil society organizations and the resources invested in health, education, infrastructure, environment and urban mobility.

In ADA - Directly Affected Areas, IDA - Hinterlands and All Direct - Indirect Influence Areas, if force VALE SA to comply with a strict plan Relocation Housing - PRH households affected along the Carajás Railroad, located since in areas under constant influence of environmental impacts (cracks, noise pollution, pollution from ore dust, direct risks of accidents, etc..).

These areas (500 to 1,500 meters from the Railway axis) are described in the Report itself Duplication of OBE in ENVIRONMENTAL STUDY REPORT and PLAN BASIC ENVIRONMENTAL AND / PBA produced by WIDE Engineering and Project Management Ltda., In partnership with Vale SA, in October 2011.

The COMEFC has the lifting of all impacted communities and rural housing demand and need.

Vale SA will also be responsible to collaborate with a Technology Plan and Municipal Training - PTCM. Your participation in this plan would be to build two (02) Technological Institutes - ITV `S. One in São Luís focused on Technology and Sustainable Port in Açailândia, focused on Sustainable Railway Technology. Each Institute will be built entirely by VALE SA with shared management between Vale SA and COMEFC.

Still in the field of training, beyond the Station Knowledge of Arari / MA, which is barely functioning, to be built over three (03) Knowledge Stations in the municipalities of ALTO ALEGRE DO PINDARÉ, BOM JESUS DAS SELVAS and AÇAILÂNDIA. Each station will manage Knowledge Knowledge Centers - NC'S, to be built in all counties affected by VALE SA

Stations and Core Knowledge will be built entirely by Vale, with shared management between Vale and COMEFC, and will have the responsibility to train the local

workforce, vocations within each municipality.

Given this minimal staff, will VALE SA minimizing its social debt to the people of Maranhão, in particular those who are under the influence of their actions.

The COMEFC wants nothing of worth that is not right of its consortium. Just what the riches earned by Vale SA at the expense of the many types of damage to society and the environment, is transformed into GENERATION OF VALUE TO MUNICIPALITIES three decades ago are forgotten, with his people suffering, seeing the wealth going on in their doors and leaving only a trace of uncertainty, socioeconomic and environmental impacts.

We understand that PASS WHERE WEALTH, DEVELOPMENT HAS TO BE, and this focus will walk TOGETHER TO ENFORCE THE PENALTY.

São Luís, May 28, 2013.

GLEIDE LIMA SANTOS

Mayor of Açailândia

ATEMIR RIBEIRO MARQUES

Mayor of Alto Alegre do Pindaré

HÉLDER LOPES ARAGÃO

Mayor of Anajatuba

DJALMA DE MELO MACHADO

Mayor of Arari

ALAN JORGE SANTOS LINHARES

Mayor of Bacabeira

LIDIANE LEITE DA SILVA

Mayor of Bom Jardim

CRISTIANE CAMPOS DAMIÃO DAHER

Mayor of Bom Jesus das Selvas

JOSÉ GOMES RODRIGUES

Mayor of Buriticupu

IVAN ANTUNES CALDEIRA

Mayor of Cidelândia

RAIMUNDO MENDES DAMASCENO

Mayor of Igarapé do Meio

MAGNO ROGÉRIO SIQUEIRA AMORIM

Mayor of Itapecuru-Mirim

LUZIVETE BOTELHO DA SILVA

Mayor of Itinga do Maranhão

JOSÉ LOURENÇO BOMFIM JUNIOR

Mayor of Miranda do Norte

JOÃO DE FATIMA PEREIRA

Mayor of Monção

WALBER PEREIRA FURTADO

Mayor of Pindaré-Mirim

JOSÉ DE RIBAMAR COSTA ALVES

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MAGNALDO FERNANDES GONÇALVES

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