Early Warning System

DFC-2022-TECHMETLIMITED

TechMet Limited (2022)

Quick Facts

Countries	Brazil
Specific Location	municipality of Capitão Gervásio Oliveira, in Piauí, northern Brazil
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	A
Borrower	TechMet Limited (“TechMet”)
Sectors	Mining
Investment Type(s)	Loan
Investment Amount (USD)	$ 30.00 million
Loan Amount (USD)	$ 30.00 million
Project Cost (USD)	$ 230.00 million

Project Description

TechMet is an Ireland incorporated investment platform invests in companies that mine and process various critical minerals and other metals. The proposed DFC investment would be used solely for a downstream investment in TechMet's UK subsidiary, Brazilian Nickel Plc. ("Brazilian Nickel") for operations and the expansion of its open pit nickel and cobalt mine in northeastern Brazil ("the Project").

The **Project** is a large-scale open-pit nickel and cobalt mining project located in Brejo Seco, within the municipality of **Capitão Gervásio Oliveira**, in **Piauí**. It is being developed by **Brazilian Nickel Plc** and targets a laterite deposit using heap leaching with sulfuric acid to produce mixed hydroxide precipitate for battery supply chains. The project includes associated infrastructure across nearby municipalities and remains in the development phase, with pilot operations underway and plans for full-scale production later in the decade.

Early Warning System Project Analysis

The Piauí Nickel Project is classified as a high-risk (Category A) mining project, with potentially significant environmental and social impacts. Key environmental risks include land disturbance and vegetation removal, as the project requires clearing large areas of native Caatinga biome, as well as air pollution (dust and gaseous emissions), noise, and vibration from mining and transport activities . The project also generates liquid effluents (including oily wastewater and domestic sewage), solid waste, and mining residues, which require storage and treatment to prevent contamination of soil and water systems . The use of heap leaching with sulfuric acid introduces additional risks of chemical leakage and water pollution, alongside long-term residue disposal challenges . Social risks include impacts on nearby rural communities, such as exposure to dust, noise, and increased traffic, as well as pressure on local water resources and infrastructure in a semi-arid region, and labour and occupational health and safety risks associated with large-scale mining operations.

People Affected By This Project

The Piauí Nickel Project affects rural communities in Piauí, particularly in Capitão Gervásio Oliveira, where the Brejo Seco community lies less than 1 km from the mine and is directly exposed to impacts such as dust, noise, and land-use change (DFC ESIA Volume III: https://www3.dfc.gov/Environment/EIA/pnp/04_ESIA_PNM_VolumeIII.pdf). Additional affected communities are located in nearby municipalities—including São João do Piauí, Campo Alegre do Fidalgo, and Dom Inocêncio—linked to water, transport, and quarry infrastructure (DFC ESIA Volume I: https://www3.dfc.gov/Environment/EIA/pnp/02_ESIA_PNM_VolumeI.pdf). These populations are predominantly low-income, subsistence-based rural communities in a semi-arid region, making them particularly vulnerable to project impacts.

Investment Description

- US International Development Finance Corporation (DFC)

Contact Information

DFC

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: https://www.dfc.gov/foia.

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: https://www.dfc.gov/who-we-are/office-accountability.

Bank Documents

- Project Disclosure [Original Source]

Corporate Documents

- ESIA Volume I
- ESIA Volume II
- ESIA Volume III