

 Early Warning System

FMO-65516

SA Usina Coruripe Acucar e Alcool



## Quick Facts

<b>Countries</b>	Brazil
<b>Specific Location</b>	uninformed
<b>Financial Institutions</b>	Netherlands Development Finance Company (FMO)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	A
<b>Voting Date</b>	2026-01-23
<b>Borrower</b>	Usina Coruripe Acucar e Alcool
<b>Sectors</b>	Agriculture and Forestry
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 30.00 million
<b>Loan Amount (USD)</b>	\$ 30.00 million
<b>Project Cost (USD)</b>	\$ 30.00 million



## Project Description

### WHO IS OUR CUSTOMER?

Usina Coruripe Acucar e Alcool S.A. ("Coruripe") is a Brazilian agribusiness company founded in 1925, operating five industrial plants in Alagoas and Minas Gerais and its own railway terminal. It is one of Brazil's top 10 sugar and ethanol producers, with a milling capacity of 17 million tons of sugarcane per year. The company employs around 8,000 people.

### WHAT IS OUR FUNDING OBJECTIVE?

The purpose of the FMO funding is to finance recurring agricultural CAPEX associated with Bonsucro-certified sugarcane production. This debt facility is a club deal with Proparco being the arranger.

### WHY DO WE FUND THIS INVESTMENT?

Through this financing, FMO supports Coruripe with long-term funding that is not available from commercial banks in Brazil. The facility is labelled 100% Green, as FMO's investment proceeds are allocated exclusively to Bonsucro-certified sugarcane plantations.

### WHAT IS THE ENVIRONMENTAL AND SOCIAL CATEGORIZATION RATIONALE?

The E&S performance focus of this proposed investment is mainly on the agricultural supply chain related to biodiversity and labor. Both risks are contextual risks in the supply chain of the sector, with expansion leading to deforestation and human rights challenges such as forced labor, health and safety, and working conditions, which become more relevant due to extreme temperatures caused by climate change. Based on these risks, the investment in Usina Coruripe is an E&S category A, with potentially significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented. The company addresses these risks by certifying its own agricultural production under Bonsucro, a compliance agreement with sugarcane suppliers and monthly inspections of health & safety and sanitary conditions of their plantations, among other things. The applicable IFC Performance Standards (PSs) for this investment are PS1 (Assessment and Management of Environmental and Social Risks and Impacts), PS2 (Labor and Working Conditions), PS3 (Resource Efficiency and Pollution Prevention), PS4 (Community Health, Safety and Security), and PS6 (Biodiversity and Sustainable Management of Living Natural Resources). These PSs are triggered due to the nature and areas of the operations and sourcing of the company. PS5 (Land Acquisition and Involuntary Resettlement) and PS8 (Cultural Heritage) are not relevant now in the areas the company is operating and/or sourcing. PS7 is not triggered as no Indigenous Peoples were identified within the activities of the company or their suppliers. Note that all investments are managed in accordance with the IFC PSs, and an Environmental & Social Action Plan (ESAP) is part of the agreement.



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## Investment Description

- Netherlands Development Finance Company (FMO)



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## Contact Information

### FMO

## ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: [disclosure@fmo.nl](mailto:disclosure@fmo.nl).

## ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW). A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: <https://www.fmo.nl/independent-complaints-mechanism>.