

 Early Warning System

IDBI-14200-01

Usina Cerradao - A/B Loan



## Quick Facts

<b>Countries</b>	Brazil
<b>Financial Institutions</b>	IDB Invest (IDBI)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	B
<b>Voting Date</b>	2023-05-03
<b>Borrower</b>	Usina Cerradao
<b>Sectors</b>	Agriculture and Forestry, Energy, Industry and Trade
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 39.63 million
<b>Loan Amount (USD)</b>	\$ 39.63 million



## Project Description

### English disclosure:

As stated by the IDB Invest, the proposed financing consists of a long-term loan of at least R\$280 million, with an 8-year term and 30-month grace period, so that Usina Cerradao can increase its sugarcane storage capacity from 4.2 million to 7 million tons/year. Such an increase in capacity will consequently allow the company to increase its production of sugar and ethanol, as well as its capacity to collect electricity by 57%, by burning a greater volume of residual biomass (sugar cane bagasse). The increase in energy consumption will still allow Cerradao to remain self-sufficient in its operational needs, in addition to allowing the company to increase its supply of clean renewable energy to the market by approximately 95%.

### Brazilian disclosure:

O financiamento proposto consiste em um empréstimo de longo prazo de até R\$280 milhões, com prazo de 8 anos e 30 meses de carência, para que a Usina Cerradao possa aumentar a sua capacidade de moagem de cana-de-açúcar de 4.2 milhões para 7 milhões de toneladas/ano. Tal aumento de capacidade permitirá, conseqüentemente, que a empresa eleve a sua produção de açúcar e etanol, assim como de sua capacidade de cogeração elétrica em 57%, por meio da queima de um maior volume de biomassa residual (bagaço de cana).

O aumento da cogeração energética permitirá, ainda, que a Cerradao se mantenha autossuficiente em suas necessidades operacionais, além de permitir que a empresa aumente em aproximadamente 95% a oferta de energia limpa renovável ao mercado.



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## Investment Description

- IDB Invest (IDBI)



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### Private Actors Description

Usina Cerradao is a sugar cane production company based in the Brazilian state of Minas Gerais.



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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Usina Cerradao	Client	Agriculture and Forestry

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## Contact Information

### IDB Invest Team Leaders:

Maher Alexandre Guedes Kafrune

*No contacts available at the time of disclosure.*

### Client - Usina Cerradao:

Rodrigo Campos Rezende - Gerente Administrativo

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## ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://www.iadb.org/en/access-information/information-request>

## ACCOUNTABILITY MECHANISM OF IDB / IDB INVEST

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IDB Invest)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IDB Invest is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to [MICI@iadb.org](mailto:MICI@iadb.org). You can learn more about the MICI and how to file a complaint at <http://www.iadb.org/en/mici/mici,1752.html> (in English) or <http://www.iadb.org/es/mici/mici,1752.html> (Spanish).



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**Bank Documents**

- [USINA CERRADAO - ENVIRONMENTAL AND SOCIAL ACTION PLAN \(ESAP\)](#) [Original Source]
- [USINA CERRADAO - ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY \(ESRS\)](#) [Original Source]