

 Early Warning System

IDBI-14200-01

Usina Cerradao - A/B Loan



Quick Facts

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



Investment Description

- IDB Invest (IDBI)



Private Actors Description

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



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



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

Phone: +55 34 3421-1800

Address: Rod. MG 255 Km 30, Zona Rural, Frutal-MG, Caixa Postal 4

Email: rrezende@usinacerradao.com.br

Website: <https://www.usinacerradao.com.br/>

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. 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).



Bank Documents

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