Early Warning System

# IDBI-14795-01

## Supporting the Circular Economy and Waste Recovery in Brusque, Santa Catarina, Brazil

# Supporting the Circular Economy and Waste Recovery in Brusque, Santa Catarina, Brazil

## Quick Facts

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|---|---|
| **Countries** | Brazil |
| **Specific Location** | City of Brusque |
| **Financial Institutions** | IDB Invest (IDBI) |
| **Status** | Active |
| **Bank Risk Rating** | B |
| **Voting Date** | 2025-05-23 |
| **Borrower** | Ecotriagem Ltda |
| **Sectors** | Water and Sanitation |
| **Investment Type(s)** | Loan |
| **Investment Amount (USD)** | $ 10.81 million |
| **Loan Amount (USD)** | $ 10.81 million |
| **Project Cost (USD)** | $ 10.81 million |

## Project Description

According to the IDB Invest, the Project consists of the design, construction, maintenance, and operation of a mechanized waste recovery facility ("MRF") located in the municipality of Brusque in the state of Santa Catarina, Brazil. The MRF will be installed at the entrance to an existing landfill, receive the urban solid waste collected from 15 municipalities in the region, and sort the materials, recovering plastics, paper, tetrapak, steel, and aluminum. The Material Recovery Facility will play a crucial role in the Circular Economy by sorting, processing, and preparing recyclable materials for recycling and reuse.

The Project's CAPEX involves civil works for warehouse construction and equipment acquisition.

The transaction consists of an 11-year senior secured loan for up to BRL 116 million, to be provided by IDB Invest alongside the Canadian Net Zero and Climate Resilience Accelerator. Given the novelty of this type of project under a Project Finance structure, IDB Invest's participation is crucial role in addressing a financing gap for an impactful, innovative climate change project.

## Investment Description

- IDB Invest (IDBI)

| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---|---|---|---|---|---|---|
| - | - | - | - | Ecotriagem Ltda | Client | - |

## Contact Information

**IDB INVEST**

## ACCESS TO INFORMATION

You can submit a request for information disclosure at:

https://www.idbinvest.org/en/access-information-policy.

## 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**

- Brusque - Environmental and Social Action Plan (ESAP)
- Brusque - Environmental and Social Review Summary (ESRS)