

 Early Warning System

IFC-43319

Sao Martinho Cogen



Quick Facts

Countries	Brazil
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	SAO MARTINHO S/A.
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	\$ 90.00 million
Project Cost (USD)	\$ 90.00 million



Project Description

São Martinho S.A. (the “Company” or “São Martinho”), an existing IFC client, is a leading sugar and ethanol company in Brazil with 24.5 million tons of crushing capacity, operating three sugar mills (São Martinho, Iracema and Santa Cruz mills producing sugar, ethanol, bioenergy and by-products) in the state of São Paulo and one distillery in the state of Goiás (Boa Vista mill producing ethanol and bioenergy). The company has currently 247k ha under production, 55k ha of which are owned and the remainder is leased land and partnerships. São Martinho crushed 22.6 million tons of sugarcane last season (2019/2020), and produced 1.1 million tons of sugar, 436 thousand m3 of anhydrous ethanol and 670 thousand m3 of hydrous ethanol. The proposed IFC facility is a financing package for São Martinho comprised of a Loan in the amount of up to US\$90 million. The IFC Loan will support the Company’s investment program, consisting of (i) the expansion of the Company’s cogeneration capacity, including new efficient boilers and equipment; and (ii) the renewal and treatment of existing sugarcane fields (the Project). The cogeneration investment will replace existing boilers and generators with new more efficient ones and allow to produce additional electricity to be sold into the grid and for Sao Martinho’s own consumption. The Project will also support the renovation of the Company’s sugarcane plantations using advanced climate-smart agricultural techniques, including maximizing the use of organic fertilizers, recycling nutrients, and minimum tillage among others.



Investment Description

- International Finance Corporation (IFC)



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	SAO MARTINHO S/A	Investor	Finance



Contact Information

ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>