

 Early Warning System

IFC-46253

SABESP UCL



Quick Facts

Countries	Brazil
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO
Sectors	Infrastructure, Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	\$ 150.00 million
Project Cost (USD)	\$ 150.00 million

Project Description

Companhia de Saneamento Básico do Estado de São Paulo (“SABESP” or the “Company”) is the largest water and sanitation service provider in Brazil and among the largest worldwide. The company, founded in 1973, is controlled by the State of São Paulo and provides services to 28.2 million people in 375 municipalities in that State. The proposed investment consists of an unsecured A Loan of up to US\$150 million to Sabesp to finance a selected number of subprojects with limited environmental and social (E&S) risks and impacts in water and sanitation infrastructure through 2024, mostly in municipalities located along the coast and in the Metro Area of São Paulo (the “Project”). 11 subprojects have been identified for the use of IFC proceeds, as described below:

Água no Litoral Program (Water Supply in Coastal Areas) The Água no Litoral Program includes long-term actions to expand water production and distribution in the Santos Metropolitan Area, in the State of São Paulo Southern Coast, as well as cities located in the Northern Coast of the state. The objective of this program is to improve and guarantee water security, especially during the summer, increase the reliability of local water systems and eliminate deficiencies and irregularities in water supply in coastal areas. The subprojects financed with IFC proceeds include the construction of water storage facilities in the cities of Santos, Peruíbe, Itanhaém and Guarujá, and two water pressurizing stations (boosters Suarao and Citratel) to strengthen the existing water distribution network.

Onda Limpa Program – Phase II (Clean Wave Program - Sewage Treatment) The Onda Limpa Program is the largest sanitation program in coastal areas in Brazil. The program’s main objective is to expand and improve the sewage network in the Santos Metropolitan Area, in the State of São Paulo Southern Coast, as well as cities located in the Northern Coast of the state, resulting in the improvement of public health and better quality of seawater in public beaches. The first phase of this program started in 2007 and connected 110,223 households to the sewage network. The second phase began in 2018 and includes the construction of approximately 450 km of sewage lines, 48,000 new household connections, three new wastewater treatment plants (WWTPs) and improvements to existing WWTPs. As of 2021, the Onda Limpa Program has increased the sewage collection services coverage in the coastal areas from 53% to 84%, with 100% treatment of collected sewage. In the Northern Coast, the Onda Limpa Program is implementing sewage systems in the municipalities of São Sebastião and Ubatuba. The proposed subprojects included in the use of IFC proceeds are the sewage collection networks in Peruíbe and Itanhaém, and a lifting station in Ubatuba, that will connect 4,100 new households to the sewage system.

Novo Rio Pinheiros Program (Sewage Collection and Treatment) The Novo Rio Pinheiros Program aims at improving the environmental conditions of the Pinheiros River, one of the main tributaries of the Tietê River, by reducing the organic load from sewage through the expansion and sustainable optimization of the sewage collection and treatment system in the São Paulo Metro Area. The sewage collected as part of the Novo Rio Pinheiros Program will be conveyed to Sabesp’s existing Barueri WWTP. As of 2021, more than 516,000 households (approximately 1,500,000 people) were connected to the sewage system. The proposed investment will finance the following subprojects: 1) Ribeirão Jaguare (Phase IV), 2) Bacias PI-05 and PI-07, Phase III; 3) Bacia PI-22 Águas Espraiadas Phase III; 4) Bacia -PI-03- Cabeceiras Pirajucara Phase IV. The subprojects consist of connecting houses to Sabesp’s sewage collection system.

Programa Metropolitano de Água – PMA (São Paulo Metro Area Water Program) The proposed subproject includes the installation of a 2.8 km long and 1,200 mm in diameter water distribution pipeline (Carapicuíba EC2 Water Distribution Network), located in Carapicuíba (between Barueri WWTP and Carapicuíba Reservoir), aimed at increasing the reliability and operational flexibility of the installed systems and will benefit 420,000 inhabitants in the Osasco region with the water supply from the São Lourenço Water Supply System.



Investment Description

- International Finance Corporation (IFC)



Contact Information

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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>