Early Warning System

IFC-46445

Uniao Quimica

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Quick Facts

Countries	Brazil
Specific Location	Uninformed
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2022-09-28
Borrower	UNIAO QUIMICA FARMACEUTICA NACIONAL SA
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 50.00 million
Project Cost (USD)	$ 50.00 million

Project Description

União Química Farmacêutica Nacional S.A. (“UQ” or the “Company”) is among the 10th largest national pharmaceutical companies in Brazil, with more than 85 years of history. Headquartered in Sao Paulo, the Company has eight manufacturing facilities in Brazil and more than 7650 employees. UQ is focused on human health (65% of sales, mostly to the private sector), animal health (19% of sales) and 16% of sales are related to contract manufacturing, selling to top international brands.The company’s industrial capacity is composed of eight plants, including the following facilities:(i) Brasília (DF) and Pouso Alegre (MG) plants have their production directed to the Human Health Division, (ii) Embu Guaçu (SP) unit is dedicated to medicinal products for the Animal Health Division, and, (iii) the Anovis unit in Taboão da Serra (SP) and Inovat, at Guarulhos (SP), are dedicated to the outsourcing of drugs production for the pharmaceutical industry in the solid and liquid forms. The Bthek plant is intended for biotechnology. Also, the company has a graphic plant that produces cartridges, package inserts, adhesive labels, as well as working with promotional materials for the pharmaceutical industry. This facility includes a logistic center for distribution of products.

The proposed investment consists of an 8-year secured A Loan of BRL 270 million (US$50 million) in UQ. From this, BRL 100 million will be used to upgrade two of their existing plants to be able to produce vaccines (both for COVID-19 and other uses as well). BRL 235 million will be used to increase manufacturing capacity for certain products such as antibiotics, corticoids, and anti-inflammatory, anaesthetics, among others, serving the hospital segment. Due to COVID-19, there was a spike in demand from hospitals and UQ needs to increase the capacity in 2 of their existing plants to properly serve its clients. A big portion of these investments would be related to COVID-19 related drugs. BRL 100 million would be used to install solar panels on the roofs of all its plants in Brazil, to contribute to its decarbonization plan. There will not be any new construction outside the plants (no new footprint), all investments would be within the existing plants.

Investment Description

- International Finance Corporation (IFC)

Contact Information

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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/