

 Early Warning System

IFC-43740

Amaggi Sustainable Cotton



Quick Facts

Countries	Brazil
Specific Location	State of Mato Grosso
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2021-04-25
Borrower	ANDRE MAGGI PARTICIPACOES S/A
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	\$ 180.00 million
Project Cost (USD)	\$ 180.00 million



Project Description

The proposed project includes an IFC investment of up to US\$180 million A/B/MCPP Loan package. The financing will support its three-year Amaggi cotton investment plan comprising : (i) conversion of existing corn farmland into cotton production across three farms in Mato Grosso; (ii) construction of cotton processing units to serve the increased cotton production volumes and financing of the three operating cotton production facilities; (iii) investments in logistics assets for the cotton expansion and agricultural inputs for use in the cotton farms; and (iv) crop protection/treatment inputs for productivity improvements in existing cotton farms (“The Project”).

Specifically, the proposed project will: (i) expand the existing cotton plantation area from 65,000 ha to 103,000 ha distributed among the Itamarati (69%), Tucunaré (26%) and Agua Quente (5%) farms by further replacing corn, which is currently planted as a second crop, by cotton. Thus, as part of this expansion, the company is improving soil conditions, acquiring specific equipment for cotton planting and harvesting (i. e., trucks, sprayers, medium tractors, forklifts, etc.), and improving structures for cotton processing; and (ii) construct a new 147,600 bales/yr cotton processing plant, Algodoeira Itamarati, in a 9,600 m² area within Amaggi’s Itamarati farm. This plant anticipates producing approximately (a) 32,000 tons/year of cotton plumes, (b) 40,000 tons/year of cottonseed, and (c) 800 tons/year of fibrilha.

The 85,315 ha Itamarati farm is in Campo Novo do Parecis, MT, its closest communities are the municipalities of Tangará da Serra (60 km) and Campo Novo do Parecis (73 km) and separated by the river Utiariti. It is also located 22km North-West distant from the Indigenous People (IP) Land Paresi and 14km distance South-West from IP Land and Protected area Rio Formoso. The 44,583 ha Tucunare farm is located in the municipality of Sapezal, its closest community is the city of Sapezal at 12 km and it is also located 56km West distant from the Utiariti IP Land, 48km South distant from the Pareci IP Land, and 58km West distant from the Nambiquara IP land. The 87,067 ha Tanguro farm, located in the rural area of the municipality of Querência/MT, its closest community is the city of Querencia at 33 km and is also distant 28km North-West from Xingu IP land and 42 km West from Pequizal do Naruvôtu IP land. The 20,474 ha Agua Quente farm is in the municipality of Sapezal, its closest community is the city of Sapezal at 30 km; it is also distant 22km East from the Utiariti IP land and 17km South from the Pareci IP Land.



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
-	-	-	-	ANDRE MAGGI PARTICIPACOES S/A (Grupo Amaggi)	Client	Agriculture and Forestry



Contact Information

ACCESS TO 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>



Bank Documents

- [Environmental and Social Review Summary \(ESRS\)](#)
- [Summary of Investment Information \(SII\)](#)

Campaign Documents

- [A relação do Grupo Amaggi com Direitos Humanos - Centro de Direitos Humanos e Empresas](#)
- [Amaggi e denúncias de trabalho escravo - Artigo Acadêmico Repórter Brasil](#)
- [Amaggi na Global Compact da ONU](#)
- https://resources.trase.earth/documents/issuebriefs/TraselssueBrief4_EN.pdf

Media

- [Amaggi e investigações sobre evasões fiscais](#)
- [Brazilian Legislators Break Law, Attack Amazon, Trade Freely with World](#)
- [Notícia sobre Amaggi em relação à Amazônia](#)