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A Weekly Review of Business Opportunities

BNDES APPROVES 788 MILLION REAL LOAN TO COSAN

The Brazilian Development Bank (BNDES) has approved a loan of 788 million reais to the subsidiaries of sugar and ethanol company Cosan S.A. Indústria e Comércio, Cosan Centroeste S.A. Açúcar e Alcool e Barra Bioenergia S.A. Part of this amount, 639 million reais, will be invested in implementing a project to build greenfield mills in the city of Jataí, in Goiás state, and the rest, 149 million reais, will be used in the cogeneration plan of the Gasa unit, in São Paulo state. BNDES will finance around 65% of the Jataí project and 78% of the total amount to be invested in Gasa, for a period of 12 years. Cosan has stated that the Jataí facility, which will start operations in the 2009/10 crop, will be able to crush 4 million tons of sugarcane, and when it reaches full capacity, it will produce more than 370 million liters of ethanol per crop as well as generate surplus power. *Source: Agência Leia.*

JBS TAKES ON 5 QUATRO MARCOS PLANTS AND WILL HIRE MORE WORKERS

JBS group will take on the operations of five of the six plants that meatpacker Quatro Marcos has in Mato Grosso state and whose slaughter activities have been halted since the company filed for bankruptcy protection at the end of 2008. The Quatro Marcos facilities in Cuiabá, Colider, Juara, Alta Floresta and São José will be rented by JBS. In Juara, 300 workers are expected to be hired. The aim is to start slaughter activities in this plant, which has a capacity of 1,000 head per day, before the end of July. In spite of the resumption of operations in five major plants in Mato Grosso that were not operating, the investment by JBS may not go smoothly. Even with a lease of the units, the farmers that supplied Quatro Marcos with cattle have stressed they will only meet the plants' demand if Quatro Marcos's debt of around 40 million reais to the farmers is cleared. *Source: Folha de São Paulo.*

ALBERTINA CREDITOR MAY BECOME PARTNER

The biggest creditors of Cia. Albertina, a sugar and ethanol mill based in Sertãozinho (São Paulo) that filed for bankruptcy protection at the end of 2008, may become stakeholders in the plant, although there are still no talks underway. The mill's biggest creditors are trading company Multigrain, investment fund Callao/Crepera and German bank HSH, which has recently supported the company's recovery plan. Overall, the São Paulo company has around 600 creditors. Supporting the plan, HSH has released stocks that served as guarantee for sale and has undertaken to grant loans for the value obtained with these products. Albertina now has two options: an auction of Albertina's mill, which may take place by 2010, or the entry of a "strong" partner, perhaps one of the above creditors. *Source: CEISE Br.*

JAPANESE NISSUI READY TO PARTNER UP WITH NETUNO

Japanese Nissui, whose annual turnover is over US\$ 5 billion per year with the exploitation, processing and sale of fish, is making the final arrangements to start its operations in Brazil through a partnership with Netuno Alimentos, Brazil's largest seafood company. The transaction will be made through the creation of a new company, Netuno Internacional, in which Nissui will acquire a 50% stake for US\$ 20 million. Netuno Alimentos will enter with the operations it has but will continue to be the owner of the facilities, which will be leased to the newly-created company. The intricate transaction is intended to boost Netuno activities and separate the debts of the Brazilian company (nearly 150 million reais) from the new partnership. *Source: Valor Econômico.*

CARGILL IMPORTS US BIODEGRADABLE PLASTIC

Cargill is introducing its corn-based Ingeo bioplastic from NatureWorks, its US subsidiary, in Brazil. "We expect to sell 500 tons within the next 12 months", said the director of Cargill's starches and sweeteners business unit In South America, Marcelo de Andrade. The first container with 8.5 tons of resin arrived in Brazil last week, and some company clients have started testing it. According to Cargill, one of the benefits of resin is its biodegradability. The facility, located in Blair, in the Nebraska state (US), started production with a capacity of 70,000 tons per year with a focus on the US market –which has recently been doubled. "We have thus been able to bring the product to the Brazilian market", said Andrade. *Source: Valor Econômico.*