

 Early Warning System

IIC-11786-02

Fitesa Expansion



Quick Facts

Countries	Brazil, Mexico
Financial Institutions	IDB Invest (IDBI)
Bank Risk Rating	B
Voting Date	2017-05-30
Borrower	Fitesa Naotecidos S.A. (Brazil) and Fitesanonwovens Mexico S.A. de C.V. (Mexico)
Sectors	Industry and Trade
Investment Amount (USD)	\$ 60.75 million
Project Cost (USD)	\$ 141.00 million



Project Description

The project consists of the installation and operation of: a) a new 20,000 thousand ton per year non-woven[1]production plant in Cosmopolis (Sao Paulo, Brazil); and b) a new 20,000 tons per year production line in a plant in San Jose de Iturbide (Guanajuato, Mexico). The objective of the loan is to improve and increase the production capacity of Fitesa S.A. ("Fitesa") through its operating companies in Brazil and Mexico.

As part of the project, the IIC will finance studies and the installation of solar panels at the Cosmopolis plant. The panels will provide 60% of the electrical energy the plant needs to operate. IIC's long-term financing will match the lifecycle of the project's assets and will thus further strengthen Fitesa's financial structure.



Investment Description

- IDB Invest (IDBI)

Fitesa has production plants in South America, North America, Europe and Asia. Fitesa specializes in the production of nonwovens for hygiene products. Fitesa manufactures 30% of the hygienic nonwovens consumed in Brazil and 50% of the nonwovens consumed in Mexico.

The total cost of the project is estimated at US\$ 141,000,000. IIC's financing of US\$ 60,750,000, from which US\$40,750,000 will come from IDB group, and the remaining US\$20,000,000 will come from the China Co-financing Fund for Latin America and the Caribbean. The financing will be divided into two tranches: a) US\$ 35,720,000 to Fitesa Naotecidos S.A., for Fitesa's operational entity in Brazil; and b) US\$ 25,030,000 to Fitesanonwovens Mexico S.A. de C.V., the entity in Mexico. The loan will have an eight year tenor with up to two years of grace on principal payments.



Contact Information

ACCOUNTABILITY MECHANISM OF IIC

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at <http://www.iadb.org/en/mici/mici,1752.html> (in English) or <http://www.iadb.org/es/mici/mici,1752.html> (Spanish).