

Project Summary for Public Disclosure

Project Overview	
Project Name	Maranhão Road Corridor – South North Integration
Country	Brazil
Sector	Sustainable Infrastructure; Transport
Approval Date (by the Board)	05 March 2018
Total Project Cost	USD 190 million
Loan Amount	USD 71 million
Borrower	The Government of the State of Maranhão
Implementation Agency	Project Management Office, under Secretary of Infrastructure

I. Introduction

The state of Maranhão occupies 3.9% of the Brazilian territory and is the 7th largest state by area in Brazil. The state however ranks the lowest in Brazil measured by GDP per capita and has significant logistical potential that needs to be developed. While the state has managed to develop its coastal region, the inland areas have not received significant infrastructure improvements despite being important to the state’s economy. In the transport sub-sector, road is currently the main mode of transport for the movement of cargo in Brazil. However, only 12% of Brazil’s highways are paved, 69% with problems such as deficiencies in road pavement, signage or geometry. Maranhão has a similar situation: in 2016, 65.1% of the surveyed highways in the state has had deficiencies. To improve its logistics and connectivity the state has created the Maranhão Road Corridor – South North Integration Project. The Project is designed to rebuild sections of the MA-006 in the state of Maranhão, to improve connectivity and facilitate socio-economic development. The Project is in close alignment with NDB’s mandate of supporting sustainable infrastructure development.

II. Project Description

The Maranhão Road project consists of the reconstruction of 233 km of the North-South state highway MA-006, which are currently in poor conditions. The highway is part of an existing corridor connecting the grain production region in the south of the State to the

Itaqui Port in the north of Maranhão. The rehabilitation of southern sections of the road have been prioritized since there are no alternative roads along this corridor and this is the main grain producing area.

NDB will finance the Project through a Project Loan with Sovereign Guarantee from the Federative Republic of Brazil of up to USD 71 million to the state of Maranhão to support the program. The proposed Loan will finance the costs of rebuilding a section of the road spanning 143 km.

III. Environmental and Social Aspects

The Project through rehabilitating sections of the MA-006 will bring benefits of (i) time saved for road travel; (ii) reduced logistics costs between the agricultural region and the Itaqui Port; (iii) integration of the North and South of Maranhão, linking municipalities that are currently isolated, thereby contributing to socio-economic development of the State of Maranhão.

The Project is categorized as “B” in accordance with the NDB Environment and Social Framework with limited adverse social and environmental impacts. The adverse impacts are site specific and few, if any of them, are irreversible and in most cases mitigation measures can be designed and implemented easily.

IV. Financials

The total cost of the Project is estimated to be USD 190 million. NDB will support the Project through a Project Loan with Sovereign Guarantee up to USD 71 million. The balance will be co-financed by CAF of USD 77 million and the State of Maranhão of USD 42 million.

Financier	Amount (\$ million)
New Development Bank	71
CAF	77
Government of the State of Maranhão	42

V. Implementation



The Project is estimated to be implemented over 4 years between 2019 and 2022. The procurement for the Project will be conducted through a competitive and transparent bidding process.

VI. Contact

New Development Bank: projects@ndb.int