

Project Summary for Public Disclosure
(after approval of NDB financing)

Project Name	North Region Transportation Infrastructure Improvement Project
Country	The Federative Republic of Brazil
Type	Non-Sovereign
Area of Operation	Transport Infrastructure
Concept Approval Date	04 September 2019
Financing Approval Date	12 November 2019
Total Project Cost	USD 361 million
Initial Limit of NDB Financing	USD 300 million
Current Limit of NDB Financing	USD 300 million
Borrower	Vale S.A.
Project Entity(ies)	Vale S.A.
Project Context	Infrastructure investment in Brazil has been constrained by low investment levels and limited fiscal space. As the foundation for resilient economic development, infrastructure development in Brazil plays a critical role particularly at the time when the economy faces turbulences. NDB supports member country's sustainable infrastructure development through different modalities, including through supporting financially well managed firms that play important roles in the country's economy. Vale, one of Brazil's largest firms, is the leader in mining and logistics operations in Brazil. With sound financial indicators and a strong position in the global markets, Vale has become one of the most important players in Brazil's transportation infrastructure sector by making large investments in port and railway projects and creating an efficient mine-railway-port operating model.
Project Description	The North Region Transportation Infrastructure Improvement Project is proposed to help improve Vale's capacity and ability to transport iron ore from its mines to its ports, and to global markets. The Project will help Vale strengthen its operational efficiency through improving its logistics infrastructure. The contents of the Project include upgrade of the transportation infrastructure capacity of Vale's Northern System in the states of Pará and Maranhão, encompassing the Carajás Railway and the Ponta da Madeira Port Terminal.
Project Objective	The Project's Output is the improved transport (port and railway) infrastructure in Vale's Northern System including the expansion

	of rail system, acquisition of locomotives, the expansion of port infrastructure. The Project's main outcome is the increase Vale's Northern System throughput by approximately 10 million tons per year.		
Implementation Arrangements	The Project is to be implemented over five years. Procurement will be conducted in compliance with the national law and regulations, and meet the core principles of NDB's policy.		
Environmental and Social Information	The positive impacts of the Project include: (i) increased freight throughput by 10 million tonnes per year after 2023; (ii) improved transportation infrastructure including port and railway in Vale's Northern System; (iii) improved labor safety standards; (iv) enhanced economic development within Vale's relevant sectors resulting from improved logistics and increased trading capacity; (v) contribution to Brazil's efforts to achieve sustained and inclusive growth. The Project is Category "A" in line with NDB's Environment and Social Framework (ESF). Main environmental and social impacts are associated with a legally protected indigenous land (Terra Indígena Mãe Maria) due to high environmental and social sensitivity, and include impacts on biodiversity stemming from clearance of native vegetation and loss of habitats, noise from construction works and rolling stock, increased pressure on indigenous land and resources. Other significant E&S impacts are associated with the marine port terminal operations and include dust emissions, wastewater discharge, and occupational health & safety risks. E&S impact will be mitigated by adherence to the country system and Vale's corporate E&S standards.		
Financing	The total cost of the Project is estimated to be USD 361 million. NDB will finance USD 300 million. The remaining balance will be financed by Vale.		
	Source of Fund	Amount (USD million)	
	NDB	300	
	Vale S.A.	61	
Contacts	NDB	Borrower	Project Entity
	Americas	VALE S.A.	VALE S.A.
	Regional Office: Mauricio Xavier	Aline Mendonca backoffice@vale.com	Aline Mendonca backoffice@vale.com