Early Warning System

FMO-61629

TAPROBANE SEAFOODS PVT. LTD.

Quick Facts

Countries	Sri Lanka
Financial Institutions	Netherlands Development Finance Company (FMO)
Bank Risk Rating	B
Borrower	TAPROBANE SEAFOODS PVT. LTD.
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 5.00 million
Loan Amount (USD)	$ 5.00 million

Project Description

According to FMO, the funds for the proposed project will be used for capex investments that will further strengthen TSF's value chain. The investments include rehabilitating abandoned shrimp farms owned by TSF and by third-party growers, investing in new farms, circular tanks and hatcheries, in a new processing facility and for other general capex investments. The DFCD funds will be used to finance part of the core portion of the working capital needs.

With this project, TSF promotes sustainable aquaculture by rehabilitating abandoned shrimp farms and converting them into new ponds and circular tank farms. Because TSF (/Sri Lanka) is a relatively new player in a matured industry, it has the advantage to leapfrog with the latest technology and best aquaculture practices in the sector, supported by international partners in the industry. For FMO, the integrated 'farm to fork' business model is the main reason to partner with TSF. The proposed transaction fits the AFW strategy because (i) it focusses on the whole supply chain from early production at hatcheries to frozen and packed end-products for consumers thereby applying modern production, processing and logistics techniques, (ii) it actively empowers and engages with women in management positions in its operations, (iii) it helps reducing inequality through its partnership with smallholder farmers (land holdings < 1ha) (iv) TSF is known to encourage actively women to start working and making a living wage, and to participate women as farmers or otherwise throughout its supply chain (v) TSF's farming operations are strictly based Best Aquaculture Practice (BAP) standards, and other important industry standards and certifications and open to work towards Aquaculture Stewardship Counsel (ASC) certification.

ENVIRONMENTAL AND SOCIAL RATIONALE

E&S risks are categorized as Category B+. mainly due to biodiversity and living natural resources - animal welfare and biosecurity. FMO's environmental and social due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following Performance Standards: PS 1 - Assessment and Management of Environmental and Social Risks and Impacts PS 2 - Labor and working conditions PS 3 - Resource Efficiency and Pollution Prevention PS 4 - Community Health, Safety and Security PS 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

Investment Description

- Netherlands Development Finance Company (FMO)

Private Actors Description

Taprobane Seafoods Ltd. (TSF or the company) is a leading seafood export company in Sri Lanka processing Blue Swimming Crab into pasteurized crab meat and Vannamei shrimp, which it began farming two years ago - the first Sri Lankan company to do so - in response to a global shift in preference to Vannamei from black tiger shrimp. Established in 2010, TSF has one main process facility and fourteen mini-processing facilities, employing over 2,000 fulltime employees, predominantly underprivileged women including war widows, throughout the northern and northwestern provinces of Sri Lanka. The shrimps processed by TSF are supplied by its own farms and third-party growers. The crabs are wild-caught and supplied by local fishermen. TSF exports seafood products globally under their own brand or for third parties.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Taprobane Seafoods Ltd.	Client	-

Contact Information

No contact information provided at the time of disclosure.

ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@fmo.nl

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW). A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: https://www.fmo.nl/independent-complaints-mechanism

Other Related Projects

- FMO-61628 TAPROBANE SEAFOODS PVT. LTD.