Early Warning System

IFC-31517

Alta Growth II

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Quick Facts

Countries	Mexico
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	FI
Voting Date	2012-04-16
Borrower	ALTA GROWTH CAPITAL MEXICO FUND II LP
Sectors	Energy, Mining
Potential Rights Impacts	Right to Food, Right to Health
Investment Type(s)	Equity
Investment Amount (USD)	$ 15.00 million
Project Cost (USD)	$ 150.00 million

Project Description

Alta Growth Capital is a private equity firm that manages the Alta Growth Capital, Mexico Fund, L.P., a fund dedicated to investing in a diversified portfolio of private equity and equity-linked investments in middle market companies operating in Mexico. According to its website, the firm target sectors benefiting from the rising domestic consumption of goods and services in the Mexican and U.S. Hispanic markets, including such industries as consumer goods, financial services, housing, healthcare, education, entertainment, and selective manufacturing and industrial sectors.

IFC supported the creation of Alta Growth Capital Management in 2007 as a partnership comprising members of the former Baring Mexico Private Equity Partners (Mexico, Project No. 9357, 4594) S.C. and Spring Capital. In the past five years the Alta team has raised $135 million in capital commitments distributed in three funds: i) $75 million in Alta Growth Capital, Mexico Fund, L.P. (2007); ii) $60 million in an early-stage funds (2011), Alta Ventures Mexico Fund, L.P. (Project No. 28086) which includes the Kickstart program, a seed capital facility that supports innovation. The Alta team has also created a strong network that brings together industry experts, executives, entrepreneurs, and capital sources behind the funding and mentoring of seed, venture and growth investments.

Early Warning System Project Analysis

Due to a lack of information provided by the IFC, it is difficult to conduct an analysis of the human rights impacts of this financial intermediary investment.

People Affected By This Project

However, since May 2011 Alta Growth has held an equity stake in Bunker's Group, the leading marine oil distributor in Mexico. The activities of Bunker's Group may have the potential to cause environmental contamination that could result in impacts to the right to health and the right to food.

Investment Description

- International Finance Corporation (IFC)

IFC supported the creation of Alta Growth Capital Management (the “Fund Manager”) in 2007 as a partnership comprising members of the former Baring Mexico Private Equity Partners (Mexico, Project No. 9357, 4594) S.C. and vSpring Capital. In the past five years the Alta team has worked cohesively and raised $135 million in capital commitments distributed in three funds: i) $75 million in Alta Growth Capital, Mexico Fund, L.P. (2007); ii) $60 million in an early-stage funds (2011), Alta Ventures Mexico Fund, L.P. (Project No. 28086) which includes the Kickstart program, a seed capital facility that supports innovation. The Alta team has also created a strong network that brings together industry experts, executives, entrepreneurs, and capital sources behind the funding and mentoring of seed, venture and growth investments. The Alta Growth team is based in Mexico City, and is composed of the following senior professionals: Erik Carlberg (Managing Director), Scott McDonough (Managing Director), and Rafael Payro (Managing Director). Other team members are: Burton Flynn, Roberto Henriquez, and David Oscos. The Fund is proposed as a Canadian limited partnership formed under the laws of Ontario. A first close is expected to bring $85-105 million from new and recurring investors.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Alta Growth Capital Mexico Fund II, L.P. (Financial Intermediary)

Private Actors Description

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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Alta Growth Capital Mexico Fund, L.P.	Client	-
-	-	-	-	Baring Mexico Private Equity Fund, L.P.	Undisclosed	-

Contact Information

Mr. Scott McDonough
Managing Director
Alta Growth Capital Management
Homero 440 - 9th Floor
Mexico DF 11560
Email: mailto:smcdonough@agcmexico.com

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/