

 Early Warning System

IFC-31587

Calidra International

This project is still under review by the EWS. Project information and/or project analysis may be incomplete.



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### Quick Facts

<b>Countries</b>	Mexico
<b>Financial Institutions</b>	International Finance Corporation (IFC)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	B
<b>Borrower</b>	Grupo Calidra, S.A. de C.V.



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## Project Description

### OVERVIEW OF IFC'S SCOPE OF REVIEW

The review of this project consisted of appraising environmental, health, safety and social information submitted by the Company, and assessing the Company's operations. This was done through a field visit conducted by the project team in February 2012. The environmental and social (E&S) appraisal team visited the proposed Company operations in Mexico, the proposed project site for one of the plants in Peru and conducted discussions in Colombia with Calidra's joint venture partners related to the E&S issues for the proposed project.

### PROJECT DESCRIPTION

Grupo Calidra S.A. de C.V. (Calidra or "the Company"); Mexico's leading producer of lime, construction hydrated lime, quicklime, dolomitic lime, chemical hydrated lime, and calcium carbonate products; operates twenty plants across Mexico and one in Honduras. Nine of its plants comprise quarrying, calcination, hydration and packaging, 11 plants are combined hydration and packaging operations, and Calidra also has one paper bag manufacturing plant. Its products are used in the construction, steel, chemical, mining, agricultural, waste treatment industries, amongst other industries. The proposed project with IFC includes: Operations in Mexico. Strategic capital investments in Mexico including: Purchase of equipment to increase production capacity as follows: Installation of 400 tons per day (tpd) Maerz kilns at its Sonora and Minorte plants Installation of hydration operations at Calidra de Occidente Santa Cruz site (25 tph), Cal de Apasco (11 tph), and Cal Quimica Mexicana (25 tph) Installation of a dry mortars plant at Calidra de Oriente, Upgrade of the packing operations at various facilities as follows: (a) automatic packing at Calidra de Occidente Santa Cruz and semi-automatic packing at Zapoltiltic sites, (b) Cal Quimica Mexicana, (c) Cal de Apasco (increase existing capacity by 50%) Installation of crushing and screening facilities at Minorte Durazno quarry, Cal de Apasco and Calhidra de Sonora plants; New quarry and quicklime plant in Campeche Quicklime handling facility at Arcelor Mittal in Lazaro Cardenas to support a long term contract Joint venture with two existing lime producers located in central Mexico to implement the following projects: A greenfield project that includes installation of crushing and screening operations, a 250 tpd Maerz kiln, a quicklime handling facility, and solid fuel installations at the Cal Los Arcos plant located in Vizarron, Queretaro A 150 tpd Maerz kiln at the Cal Muro facility located in Michoacan Adaptation of two production sites, Calidra de Oriente and Calidra de Occidente, to use biomass as a substitute fuel Operations in Peru. Construction of two lime facilities in Peru. The Company is establishing a greenfield operation in Peru by associating with the owner of the concessioned quarry, and is planning to open a second facility later in 2013 Operations in Colombia. A 50% joint venture with Cementos Argos in Colombia to set up and operate two quicklime plants in the country Mexico The proposed upgrades to Calidra's existing operations began in 2012 and will be complete by 2014. For the proposed biomass project, Calidra has already acquired a biomass collection center at approximately 120 km from the Calidra de Oriente Plant. Calidra has established a subsidiary, Plantaciones Comerciales Forestales (PCF), to handle biomass related activities. Initially, PCF will acquire waste from wood processing facilities and will coordinate with plantation owners to acquire the discarded biomass resulting from plantations maintenance and clean-up. Ultimately, PCF will acquire land to establish its own operations. Calidra de Oriente is the first plant in Mexico to begin fuel replacement (18 % biomass) and Calidra de Occidente (36% biomass) will be the second Calidra plant by mid 2014. To ensure biomass quality and quantity, the Company has set up a biomass collection and preparation center located 120 km from the plant, in Chignahuapan, Puebla, from which it sends the biomass to the Calidra de Oriente plant. For the Calidra de Occidente plant, it is considering to use mainly (90%) Agave bagasse with the remaining 10% from wood processors and forestry clean ups. Currently, the Company is developing a Planting and Harvesting Manual intended to identify the suitable species and establish the needed practices a plantation owner should apply aiming to



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### **Investment Description**

- International Finance Corporation (IFC)



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### **Contact Information**

#### 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](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>



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**Bank Documents**

- [Calidra\\_Environmental and Social Action Plan.pdf](#)



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**Other Related Projects**

- IFC-38366 CalidraArgentina