

 Early Warning System

IFC-31923

GTSF-Urbi

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



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Quick Facts

Countries	Mexico
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Borrower	Urbi Desarrollos Urbanos, S.A.B. de C.V.



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Project Description

PROJECT DESCRIPTION

This project is proposed under the Global Trade Supplier Finance program ("GTSF" or the "Program") approved by the IFC Board in September 2010. (Original Project Link #28723). Urbi, Desarrollos Urbanos, S.A.B. de C.V ("Urbi" or "the Company") is a Mexican developer present in 35 cities across 20 states. The Company focuses primarily on affordable entry-level and low middle-income housing while also operating in the high-middle and upper income housing sector. The Project will establish a Supplier Finance ("SF") program and make financing available to selected suppliers of Urbi, through the discounting of receivables of the suppliers payable by Urbi. The SF program will have an IFC-funded, uncommitted credit line of US\$50mn. The program will be implemented through PrimeRevenue, a Supply Chain Finance platform, and its local re-seller, E-Factor Network ("EFN"), and it is expected to reach 200 Suppliers the large majority of which will be small and medium enterprises (SMEs).

OVERVIEW OF IFC'S SCOPE OF REVIEW

In projects under the Global Trade Supplier Finance program ("GTSF"), IFC assesses environmental and social (E&S) risk at supplier level by assessing the Buyers' systems for management of E&S performance of their Suppliers. IFC's supplier due diligence is based upon IFC's review of Urbi's Corporate Social Responsibility management systems and procurement practices. IFC's due diligence involved: (i) a review of publicly available information describing Urbi's approach to suppliers including Urbi's 2010 and 2011 Corporate Responsibility Reports, Urbi's ethics code and the company's policy for selection and assessment of suppliers; (ii) a review of the internal processes and policies for the selection, assessment and accreditation of suppliers (both for materials and services); (iii) due diligence materials and the Environmental and Social Review Summary of the proposed transaction Urbi Verde I between Urbi and IFC, which is publicly available at: <http://www.ifc.org/ifcext/spiwebsite1.nsf/651aeb16abd09c1f8525797d006976ba/ade822e677b11851852579c700511939?opendocument> and (iv) a review of public information concerning labor, environmental and social conditions in Mexico and in the sectors where the potential suppliers of Urbi operate (such as construction materials and sub-contractors, providing services).

IDENTIFIED APPLICABLE PERFORMANCE STANDARDS**

While all Performance Standards are applicable to this investment, IFC'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 If IFC's investment proceeds, IFC will periodically review the the project's ongoing compliance with the Performance Standards

In this Project, potential adverse E&S impacts may arise at the level of the Suppliers. While all IFC Performance Standards are applicable to this investment, IFC's due diligence has focused on Urbi's systems for management of E&S performance of their Suppliers; therefore the investment will have impacts which must be managed in a manner consistent with the Performance Standard 1.



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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. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>



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Other Related Projects

- IFC-28723 Global Trade Supplier Finance