

 Early Warning System

IFC-34095

Agrotec Extension

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	Paraguay
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Borrower	AGRIHOLD MANAGEMENT CORP



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Project Description

PROJECT DESCRIPTION

Agrotec S.A. ("Agrotec" or "the Company", based in Paraguay), a wholly owned subsidiary of Agrihold S.A. ("Agrihold" or "the Group"), provides agricultural inputs (agrochemicals, fertilizers, seeds, storage and logistic services), financing (in the form of credit sales), and technology dissemination to over 800 farmers and cooperatives in Paraguay. Agrotec operates 11 Regional Distribution Centers ("RDCs") including its HQ in Ciudad del Este located near the major crop regions of Paraguay to guarantee a rapid delivery of inputs and efficient customer service to its clients.

OVERVIEW OF IFC'S SCOPE OF REVIEW

The environmental and social review of the proposed project included: (i) interviews with the Administrative Manager, the Safety Engineer and the Human Resources Director of Agrotec; (ii) written responses to an E&S questionnaire; (iii) review of the latest Annual Monitoring Report (AMR) submitted by Agrotec for its previous project with IFC; and (iv) desk review of the latest Human Resources, Occupational Health and emergency response procedures, submitted by the company. IFC performed a site visit and full environmental and social review for the previous investment in Agrotec (#28717) in 2010. IFC's Environmental and Social Review Summary (ESRS) for that transaction is available at:

ifcndd.ifc.org/ifcext/spiwebsite1.nsf/78e3b305216fcd8a85257a8b0075079d/43a8a527011df6bd852576ee00686445?opendocument

IFC through project supervision has observed considerable progress by Agrotec in implementation of the Environmental and Social Action Plan (ESAP) agreed for the 2010 project. This is described in the sections that follow. Additional work is required to refine E&S management further and to account for new requirements of IFC's 2012 Performance Standard update. These are also described in the sections that follow and in the ESAP disclosed with this ESRS. IFC's appraisal considered the environmental and social management planning process and documentation for the project, as described above, and gaps, if any, between these and IFC's requirements. Where necessary, corrective measures, intended to close these gaps within a reasonable period of time, are summarized in the paragraphs that follow and in an agreed Environmental and Social Action Plan (ESAP). Through implementation of these measures, the Project is expected to be designed and operated in accordance with Performance Standards objectives.

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
- 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

If IFC's investment proceeds, IFC will periodically review the project's ongoing compliance with the Performance Standards

ENVIRONMENTAL AND SOCIAL CATEGORIZATION AND RATIONALE



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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-40605 Agrotec III