Early Warning System

IFC-35880

Myanmar Awba Group Company Limited

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Quick Facts

Countries	Myanmar
Specific Location	Yangon's industrial zone
Financial Institutions	International Finance Corporation (IFC)
Status	Completed
Bank Risk Rating	B
Voting Date	2016-06-15
Borrower	MYANMAR AWBA GROUP CO., LTD
Sectors	Agriculture and Forestry, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 25.00 million

Project Description

The IFC senior secured loan is up to US$10 million loan with specific use of proceeds for the expansion of Myanmar Awba Group’s core business, including the construction of additional fertilizer’ warehouse storage facilities and fertilizer distribution stations, the acquisition of a second chemical license for its Myanma Awba Group’ in order to construct a new agro-chemical formulation plant in an industrial zone next to the existing Government Hmawbi pesticide factory, equipment (bottling and packaging machinery), warehouse storage facilities and working capital.

Investment Description

- International Finance Corporation (IFC)

Private Actor Relationship

Mr. Thadoe Hein, the project sponsor, is the founder and Managing Director of Awba. A Myanmar citizen, he established the Company in 1995, together with his parents. He now owns it (95%) together with his wife Ms. Soe Mar Lar (4.5%) and brother-in-law, Mr. Soe Min Thant, (0.5%).

Private Actors Description

Established in 1995, Myanmar Awba Group's core business involves the importation, manufacturing, formulation, reformulation, blending and distribution of Crop Protection Products (CPP or agrochemicals, such as pesticides, fungicides and herbicides), fertilizers (urea and compound fertilizers – Nitrate, Phosphate, Potassium - NPK) and seeds. Active agrochemical ingredients are sourced from generic products in China, India and Thailand as products become off-patent while fertilizers are imported from China, Russia, Germany and South East Asia.

Besides its corporate headquarters located in Yangon, Awba's operational footprint encompasses 5 modern production sites, namely Piti Pyae Zone (YIP 1, 2, 3) factories covering insecticide and herbicide repacking factories; foliar fertilizer and repacking factory and 4 finished goods warehouses, all located in Yangon Industrial Zone; three fertilizer blending and packaging factories, located in industrial zones named Ngwe Pin Lae, Shwe Lin Pan I and Shwe Lin Pan II, including a company-owned river jetty on Hlaing River and eight (8) warehouses. With the first ever (and still only) privately owned ISO 9001-2008 certified foliar fertilizer formulation and storage repacking plant (YIP) as well as steam granulation compound fertilizer plant and automatic bulk blending plant in Myanmar, and in the process of being certified ISO 14001 by June 2016, Awba is the market leader with innovative products and customized solutions. Awba's distribution logistics and extension services is composed of a network of 47 company-owned sale depots, around 5,000 exclusive dealers/sub dealers and approximatively 10,000 selected key farmers. A fleet of small trucks (owned) and river barges (third-party contracted), and a specialized workforce of 1,000 agronomists providing continuous technical assistance for responsible use of agro-chemicals and fertilizers to farmers to enhance crop yields (one-stop shop service provider) complete Awba's operations. Awba's overall farmer reach is estimated at 3 million smallholders, each cultivating from 1-3 ha, across the country through its Direct-to-Farmer model. The major crop applications are pulse, beans and rice, which are mostly exported to India, and corn, and fruit and vegetable (potatoes, tomatoes, onions) cash crops.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Myanmar Awba Group Co., Ltd.	Client	-

Contact Information

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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/