

 Early Warning System

IFC-36210

Barry Callebaut Cote d'Ivoire RSF



Quick Facts

Countries	Ivory Coast
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	A
Voting Date	2016-06-24
Borrower	SOCIETE IVOIRIENNE DE CACAO BIOPARTENAIRE
Sectors	Agriculture and Forestry, Industry and Trade



Project Description

PROJECT DESCRIPTION

The proposed investment involves a Risk Sharing Facility with two Barry Callebaut (BC) subsidiaries in Cote d'Ivoire: Societe Africaine de Cacao (SACO), a Barry Callebaut's subsidiary in Cote d'Ivoire and Biopartenaire (BP) which is 100% owned by Barry Callebaut; to provide non-cash lending with a short to medium term tenor by directly delivering inputs/services (fertilizers) to a large number of smallholder/farmer suppliers within BP's and SACO's partner cooperatives. Repayment of the loan will be deducted from the payment of the cocoa delivered by each farmer and cooperative. The project will also involve participation from at least one local Microfinance Institution, at which participating farmers will maintain a savings account to be used as collateral for the loan. Each borrower will be required to deposit a significant loan amount upfront in a savings account to be located at the MFI (through mobile money technology where available). This will help them establish a bankable credit history. Headquartered in Switzerland, Barry Callebaut AG is the world's leading manufacturer of high-quality chocolate and cocoa products. Barry Callebaut is fully integrated, from the sourcing of raw materials through the production of semi-finished products to the production of liquid and molded chocolate products for the entire food industry. The Societe Africaine de Cacao (SACO) is Barry Callebaut's main processing subsidiary in Cote d'Ivoire, which sources cocoa from cooperatives. Biopartenaire is part of the Biolands Group (100% owned by Barry Callebaut as of February 2014), a direct sourcing and farm services entity operating across Tanzania and Cote d'Ivoire and dedicated to sourcing sustainably produced cocoa directly from farmers. Biopartenaire obtained UTZ certification in 2011 and Rainforest Alliance certification in 2012 and works directly with farmers and village coordinators to provide training and support professional services (such as tree pruners and pesticide appliers), inputs such as fertilizers, financial services, support and assistance in the production of certified cocoa. Headquartered in Abidjan, Societe Africaine de Cacao has two cocoa processing units in San Pedro and Abidjan. BC does not own cocoa farms in Cote d'Ivoire. Instead, SACO sources a significant share of cocoa from partner cooperatives and through BP's network of registered farmers and from other active suppliers (local traders and other cooperatives). Of the total cocoa beans procured annually, the large majority are ground in SACO's processing units in Cote d'Ivoire, while the remaining are destined for export.

OVERVIEW OF IFC'S SCOPE OF REVIEW

IFC's environmental & social (E&S) on site appraisal took place from July 6th-9th, 2015, in Abidjan and surroundings in Cote d'Ivoire and included the following: -Meetings with SACO and BP senior management, including SACO's Program Manager for sustainable cocoa and Horizons Cocoa, Field Operations Supervisor; Partnerships Coordinator, and Director for Cocoa Procurement; BP's Country Manager for Cote d'Ivoire; Group Administrator and members including a farmer of a cooperative in Tiassale; and members of BP's Farmers' Group in N'Gouamoinkro; -Site visit to SACO Headquarters in Abidjan including the cocoa processing facility, a cooperative in Tiassale as well as a farm, and the cocoa storage warehouse and meeting point of the BP Farmers' Group in N'Gouamoinkro; -Review of technical documents provided by SACO and BP, including the BC Cocoa Sustainability Report 2013-2014; BC Supplier Code; Rainforest Alliance Certification, Internal Management System, procedures, traceability system and related documentation of the cooperative in Tiassale; Biopartenaire Internal Management System; WCF's CocoaAction framework; and Rainforest Alliance related supporting documentation including sample audit reports of cooperatives. IFC's appraisal considered the environmental and social management plans for the project and gaps, if any, between these plans and IFC 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 the agreed Environmental and Social Action Plan (ESAP) disclosed in this review summary. Through implementation of these management plans and the ESAP, the project is expected to be designed and operated in accordance with Performance Standard objectives.



Investment Description

- International Finance Corporation (IFC)



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/>



Bank Documents

- [Project Information](#)