Early Warning System

IFC-38036

BOVIMA

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Quick Facts

Countries	Madagascar
Specific Location	Fort Dauphin
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	Bovima-Agrifeed
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 3.50 million
Project Cost (USD)	$ 15.30 million

Project Description

According to bank documents, the proposed investment is a US$7 million subordinated C Loan from IFC and GAFSP to BOVIMAAGRIFEED in Fort Dauphin, southern Madagascar. The greenfield project entails the development of the first modern feedlot and abattoir in Southern Madagascar. The greenfield operations would procure cattle and goats from local herders in the project area and fatten them for 1-4 months in a feedlot with locally produced animal feed; thereafter, the animals would be slaughtered in a newly constructed abattoir. The Companies would produce carcass beef and goat meat for exports, mainly to the Middle East.

Project is located in Fort-Dauphin, in a remote part of Southern Madagascar, one of the poorest regions of the country

Investment Description

- International Finance Corporation (IFC)

The total project cost is estimated at US$15.3 million. The proposed IFC investment is a C loan for IFC’s own account of US$3.5 million and a C loan of US$3.5 million for GAFSP’s account.

Private Actors Description

Bovima-Agrifeed is part of SMTP Group Madagascar, a conglomerate of 20 corporations and approximately 1,300 employees and annual revenues of around US$33.5 million. In the agribusiness sector, the Group owns the following key subsidiaries, Agrival (animal feed), Agrifarm (day old chicks for poultry/ broilers) and Mabel (slaughterhouse) and the proposed greenfield project Bovima-Agrifeed (Goat and Beef feedlot and abattoir).

The Project is sponsored by Mr. Danilhoussen Ismael and his son Mr. Shahim Ismael (together the Sponsors). Mr. Ismael is a successful businessman in Madagascar who started as a trader and importer / distributor of spare parts/ paints. He moved thereafter to the manufacturing of plastics when he created Société Malgache de Transformation de Plastiques (SMTP). Together with his son Shahim Ismael, he now owns the SMTP Group, a leading conglomerate of about 20 companies involved in industrial plastics, bakery, poultry, animal feed, real estate, automobile dealership.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	SMTP Group	Parent Company	-

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

- Environmental & Social Review Summary

Other Related Projects

- IFC-602130 Bovima Export Development