Early Warning System

IFC-38236

Bel Ga Myanmar

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Quick Facts

Countries	Myanmar
Specific Location	Industrial zone near Yangon
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2016-10-31
Borrower	BEL GA MYANMAR LTD
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 7.50 million

Project Description

IFC is considering an investment in Bel Ga Myanmar to support the construction of a new parent stock (PS) breeding farm with a capacity of 96,000 PS and a new hatchery facility with a capacity of 12 million DOCs per annum in Myanmar.

The company is in the process of identifying the land required for the project in a suitable industrial zone near Yangon. The total land requirement for the breeder farm and the hatchery is expected to be 12 ha, and will be leased from the industrial estate authority or purchased outright from a private seller using a market-based willing buyer/willing seller transaction. The breeder farm and the hatchery is expected to be operational by May/2017.

OVERVIEW OF IFC'S SCOPE OF REVIEW

Since the project in Myanmar is at a very early stage, and the location/land is not yet finalized, IFC's environmental and social (E&S) review of this investment focused on the company's existing operations in Vietnam; it is expected that the company will largely replicate those operations for the proposed development in Myanmar.IFC, therefore, reviewed (i) the project development and implementation plans submitted by the sponsors for Bel Ga Myanmar; and (ii) technical, environmental, health and safety (EHS) related information for Bel Ga Vietnam, including: regulatory permits and licenses, operational policies and procedures; organizational charts; operational details about the company's existing operations; EHS, food safety and human resource (HR) policies and procedures; EHS related monitoring records; layout drawings and technical designs for the proposed expansion project.The appraisal also included site visits to PS breeding farm in Loc Quang and the hatchery in Bao Loc city; and discussions with Bel Ga Vietnam's senior management and technical teams at their office in Bao Loc city.

Investment Description

- International Finance Corporation (IFC)

Bel Ga Myanmar Limited (“Bel Ga Myanmar”) is a greenfield hatchery and breeding company to be established in 2016 under the laws of Myanmar. Bel Ga Myanmar will build and operate a poultry breeding farm capable of accommodating 96,000 hens and a hatchery facility with an annual capacity of 12 million day-old-chicks (“DOCs”) (the “Project”). The purpose of the Project is to supply Myanmar farmers with high quality DOCs and help address the rapidly growing demand for poultry products in the country.

The total Project cost is estimated at US$10.5 million which will be financed by a combination of equity and long term debt. The proposed IFC investment for Bel Ga Myanmar is a US$6.5 million A Loan for IFC’s own account.

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/

Other Related Projects

- IFC-38011 Bel Ga JSC