Early Warning System

IFC-38744

Renova Crushing

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Quick Facts

Countries	Argentina
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	RENOVA S.A.
Investment Type(s)	Loan
Loan Amount (USD)	$ 410.00 million

Project Description

Renova is a 50/50 soybean crushing joint venture between Vicentin S.A.I.C. (“Vicentin”, an existing IFC client) and Oleaginosa Moreno Hermanos S.A. (“OMHSA”) with a crushing capacity of 20,000 metric tons per day (MT/day). Renova works under a tolling crushing agreement with Vicentin and OMHSA. Soybean reception is 1,400 MT/hour (delivered by ~1,000 trucks/day) and it produces 42,000 tons lecithin/year; storage (silo’s and flat storage) capacity for beans is 300,000 MT; meal: 170,000 MT; husk: 20,000 MT; oil: 43,500 MT. From the terminal the following shipments are possible: meal: 3,800 MT/hour; oil: 1,100 MT/hour. The facility has its own steam/power co-generation plant with a capacity of 30 MW.

The proposed project entails a loan of up to US$410m for the proposed expansion of new grain storage capacity (115,500 MT), a new flat silo (250,000 MT for soybean/grains), construction of a new berth that will expand the port loading capacity (4,000 MT/hour), new unloading capacity of 9,000 MT/day in barge terminal an upgrade of the grain reception area (to facilitate an additional unloading capacity ~500 trucks/day), new services: (i) cleaning 650 MT/hour, and (ii) drying 200 MT/hour, and a third soybean crushing line (10,000 MT/day).

The existing operations and expansion will both be housed within the existing Renova facility footprint, covering 200 hectares in Timbues, San Lorenzo district, Santa Fe Province, Argentina on the right bank of the Coronda river. The area is zoned industrial/agricultural. To the south there are two other crushing facilities and to the north the facility borders a power plant. The current operations consists of the a truck parking lot; truck dumpers, preparation and extraction building (production lines), meal grinding, warehouses, silo and flat storage, water treatment and waste water treatment plant, fuel oil and lecithin tanks, steam and power generation plant, conveyor belts tunnels and port infrastructure (terminal) , canteen, office and administration blocks.

At the time of IFC’s site visit in January 2017, construction of the second port terminal, barge terminal transport systems, parking areas dumping areas and storage was ongoing. The construction of the third line is expected to commence in Q2 2017.

Overview of IFC's Scope of Review

IFC’s environmental and social review of the project included: 1) site visit to the Renova crushing and port facility in Timbues; 2) meetings with Renova management represented by the General Manager, Operations Manager, HR Manager, Quality Manager, Environmental Analyst and Occupational Health and Safety Manager; 3) conference calls with the shareholders OMHSA and Vicentin regarding the supply chain; 4) interviews with a number of workers and a union representative; and 5) desktop review of available environmental and occupational health and safety policies and procedures and assessment reports including the environmental study for the expansion project and human resources documents.

Investment Description

- International Finance Corporation (IFC)

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/