Early Warning System

IFC-39271

DCM Patria COF

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Quick Facts

Countries	Brazil
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2017-05-19
Borrower	PATRIA CREDITO ESTRUTURADO FUNDO DE INVESTIMENTO EM DIREITOS CREDITORIOS
Sectors	Finance
Investment Type(s)	Equity, Loan
Investment Amount (USD)	$ 50.00 million
Loan Amount (USD)	$ 40.00 million
Project Cost (USD)	$ 50.00 million

Project Description

The proposed project involves supporting Pátria Investimentos Ltda. (the “Fund Manager” or “Pátria”) by investing in Pátria Crédito Estruturado Fundo de Investimento em Direitos Creditórios (the “Fund” or “Project”), a credit opportunity fund (“COF”). This capital market vehicle will mobilize local and international institutional investors and will provide long-term credits to domestic mid-size companies that are underserved by the local banking sector.

Investment Description

- International Finance Corporation (IFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Pátria Crédito Estruturado Fundo de Investimento em Direitos Creditórios (Financial Intermediary)
- Pátria Investimentos Ltda (Financial Intermediary)

Private Actors Description

Pátria was founded in 2001 (successor to Banco Patrimônio, founded in 1988) by top seasoned professionals with extensive experience in the Brazilian M&A and Investment Banking sector, as well as Private Equity. Pátria was a pioneer in Private Equity in Brazil, and gradually expanded its portfolio with the creation of new businesses in Infrastructure, Real Estate, Credit, PIPE and Agribusiness. Blackstone, a global leader in alternative investments management, has been a major partner of Pátria since 2010 with a 40% shareholding interest.

The Fund Manager is deeply committed and has the ultimate strategic goal of developing the COF industry, creating an attractive asset class for local institutional investors to increase their diversification benefits and enhance the risk return of their portfolios, while increasing the access to finance of mid-size companies.

Pátria is 60% owned by a group of Brazilian individuals, including Olímpio Matarazzo Neto, Alexandre Saigh and Otavio Castelo Branco Neto, who together form the firm’s Executive Committee, and 40% owned by The Blackstone Group LP.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Blackstone	Parent Company	-

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/