Early Warning System

IFC-40570

Canvest Corporate Loan

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Quick Facts

Countries	China
Specific Location	Guangdong, Guangxi, Guizhou, Jiangxi, and Sichuan provinces
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	CANVEST ENVIRONMENTAL PROTECTION GROUP COMPANY LIMITED
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 50.00 million
Project Cost (USD)	$ 853.80 million

Project Description

Canvest Environmental Protection Group Company Limited (“Canvest” or the “Company”) is a Chinese private waste-to-energy (“WtE”) player with total secured capacity of 26,040 tons per day (“tpd”) as of March 31, 2018.

Canvest currently has 10 WtE projects in operation/testing with total capacity of 13,540 tpd, and an additional 7 WtE projects in the pipeline with a total installed capacity of 26,040 tpd of MSW. At the time of IFC’s initial investment in the company (2016), four WtE projects in Guangdong were operational, while an additional five were in development, two of which have since become operational and others have added phases to existing facilities.

Investment Description

- International Finance Corporation (IFC)

As of December 31, 2017, Canvest was 54.6% owned by Lai Family. Other main investors include Shanghai Industrial Holdings Limited ("SIHL") – 14.5%; and AEP Green Power – 5.6%. IFC provided a C Loan to Canvest in April 2016, which was subsequently converted into a 4.9% ownership.

The total project cost is estimated at about US$853.8 million, which is to be financed by a combination of Company's internal cash generation, IFC A Loan, mobilization, and the domestic bank loan. IFC's A Loan will be 6% of Company's total CapEx need during 2H2017-2019.

Private Actors Description

"Canvest is mainly a family-owned business, with the Lai family holding a 54.6 percent stake, while other main investors include Shanghai Industrial Holding Ltd and AEP Green Power, which hold 14.5 percent and 5.6 percent, respectively".

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	AEP Green Power	Investor	-
-	-	-	-	Shanghai Industrial Holdings Ltd	Investor	-

Contact Information

1/ The Project Contacts

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3/ Local Access for Project Documentation

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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/

Media

- IFC may extend up to $150m loan to Chinese energy company Canvest

Other Related Projects

- IFC-36962 Canvest WTE