Early Warning System

IFC-40605

Agrotec III

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Quick Facts

Countries	Paraguay
Specific Location	Ciudad Del Este
Financial Institutions	International Finance Corporation (IFC)
Status	Completed
Bank Risk Rating	B
Voting Date	2018-05-30
Borrower	AGRIHOLD MANAGEMENT CORP
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.00 million

Project Description

The Project consists of providing Agrotec an up to $20 million one year loan facility (the “Facility”) with up to four renewable tranches, and a long term facility of up to US$5 million to support the working capital needs of the Company.

The Company is headquartered in Ciudad Del Este, Paraguay. The Company has 13 Regional Distribution Centers located near the major crop regions of Paraguay.

The proposed project represents the third investment from IFC in Agrotec. The first one was executed in 2010, and included a short-term working facility, renewable every year up to four times, for an annual amount of US$ 15m. The same structure was replicated in 2014, but increasing the exposure to US$25m. This time, Agotec is seeking a US$25m line and including a long-term component to cover permanent working capital needs and have a more efficient use of the facility.

Investment Description

- International Finance Corporation (IFC)

Private Actor Relationship

Agrotec is owned by the Zanchet family through two holding companies: Agrihold Investment Ltd. and Agrihold Management Corp (“Agrihold” or the “Group”), which centralizes the Group’s business and operations in Paraguay, Uruguay, and Brazil.

Private Actors Description

Agrotec S.A. (“Agrotec” or “the Company”) is one of Paraguay’s leading crop input distributor and agronomy services company operating since 1990. Agrotec offers a “one-stop shop” to more than 800 client farmers, providing seeds, fertilizers, agrochemicals, technical support, storage and logistic services, pre-harvest financing, as well as commercialization of the grains of its farmer client base. The Company’s strategy is to develop strong relationships with farmers providing integral agronomic services from sowing planning and advice, through the provision of seeds, nutrition integration and crop protection. Agrotec operates 13 Regional Distribution Centers (“RDCs”), including its headquarters in Ciudad del Este. They are located near the major crop regions of Paraguay to guarantee a rapid delivery of inputs and efficient customer service to its clients.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Agrotec SA	Client	-

Contact Information

For inquiries about the project, contact:

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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 (ESRS)

Other Related Projects

- IFC-34095 Agrotec Extension
- FMO-53838 AGROTEC S.A.