Early Warning System

IFC-43081

Monte Rosa Nicaragua

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Quick Facts

Countries	Nicaragua
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	MONTE ROSA SA
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 25.00 million

Project Description

Pantaleon Group (Pantaleon) is an agro-industrial organization dedicated to the processing of sugar cane for the production of sugar, molasses, ethanol and electricity generated from bagasse, a by-product of sugar cane milling. Pantaleon is a leader in the Central American region in sugar production and has operations in Guatemala, Nicaragua, Mexico and Brazil. Monte Rosa S.A. (Monte Rosa) is a wholly owned subsidiary of Pantaleon (acquired in 1998) and is the second largest domestic sugar producer in Nicaragua.

The proposed financing consists of a US$15 million one-year revolving credit facility renewable for up to 4 years for working capital, and a US$10 million 7-year loan to Monte Rosa for the purchase of tractors, seeding, and harvesting equipment.

Monte Rosa mill is located in the municipality of El Viejo (https://goo.gl/maps/tPrN7RDdqaeGG8S9A). Its processing capacity is 18,000 tons of sugar cane per day and produces 280,000 tons of raw sugar and 30,000 tons of molasses per year. Monte Rosa owns 5,300 hectares (ha) of sugar cane plantations that together with 8,700 ha of leased land, supply 50% of its mill needs. Monte Rosa has confirmed that no land related claims exist against the company. The remainder of its sugar cane supply is sourced from 250 independent cane growers (about 15,000 ha). Monte Rosa also has a co-generation plant with an installed capacity of approximately 60 MW. Excess energy not used by the mill is sold to the national grid. In 2007, IFC provided financing to Pantaleon for the expansion of Monte Rosa’s production and co-generation facilities. The public disclosure documents for this investment are available at: https://disclosures.ifc.org/#/projectDetail/ESRS/26009.

Investment Description

- International Finance Corporation (IFC)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Pantaleon Group	Undisclosed	-	has unknown relation to	Monte Rosa SA	Subsidiary	Agriculture and Forestry

Contact Information

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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