

 Early Warning System

IFC-45779

DFP Patria Infra



Quick Facts

Countries	Brazil
Specific Location	Uninformed
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	FI
Voting Date	2022-10-20
Borrower	PATRIA INFRA CREDITO FIDC
Sectors	Finance, Infrastructure
Investment Type(s)	Equity
Investment Amount (USD)	\$ 150.00 million
Project Cost (USD)	\$ 150.00 million



Project Description

The envisioned project would entail an investment of up to US\$150 million equivalent in BRL or up to 20% of the total commitments, as limited partner in a proposed infrastructure debt fund (the “Fund”) to be managed by Patria Investimentos, Ltda. (“Patria” or the “Manager”) and the mobilization of up to US\$550 million from institutional investors. The Fund is expected to be incorporated as a FIDC (Fundo de Investimento em Direitos Creditórios) with several series of quotas to fit investors' restrictions, especially those regarding Environmental & Social (E&S) aspects (the “Fund”). The structuring of the project has not been concluded. Nothing in this document should be construed as an offer or distribution of any product or securities in Brazil, in particular of Fund quotas. Patria is expected to invest the lower of 2% of committed capital or BRL120 million to the Fund, through junior quotas subordinated at redemption to other investors. The proposed Fund shall have an unlimited term of duration, but the series of quotas to be held by IFC will have a 50-year term, with a redemption option at the 10th year. The Fund is expected to have a target size of BRL3.5 to 6.0 billion, earmarked to finance infrastructure projects in the Energy, TMT, Transport & Logistics, and Water & Sanitation sub-sectors (“Eligible Sub-sectors”) in Brazil (the “Project”). The Project shall count with gender and climate tags.



Investment Description

- International Finance Corporation (IFC)

The proposed project consists of an IFC investment of up to US\$150 million equivalent in BRL or up to 20% of the total commitments in the Fund for IFC's own account. The Fund is expected to invest in infrastructure projects in the Eligible Sub-sectors.

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.

- [Patria Investments](#) (Financial Intermediary)



Private Actors Description

According to the IFC, the proposed Manager is 100% owned by Patria Investments Limited (“Patria Investments” or the “Sponsor”), a leading private markets investment firm in Latin America in terms of capital raised, with over US\$13 billion raised since 2011 including co-investments, currently based in the Cayman Islands. Since January 2021, its shares are listed on the Nasdaq Stock Exchange.

In December 2021, the Sponsor announced a combination with Moneda Asset Management, a leading diversified asset manager headquartered in Chile, with over US\$10 billion in assets under management (AuM) across both credit & equities. The transaction positioned Patria Investments as the top alternative investment platform in Latin America.

Patria is one of the most prominent private equity players in the Infrastructure sector in Brazil, with more than 30 years of track record and currently US\$5.1 billion in AuM in Infrastructure Private Equity. Patria’s expertise in credit dates back to 2009, with over US\$7 billion in financing structured, and having raised in 2018 the most relevant fund of BRL1.2 billion. Patria has a successful experience setting up and managing a similar instrument with Patria Crédito Estruturado FIDC, whose primary objective was to provide senior secured lending to medium-sized private Brazilian companies, and where IFC is an investor (project #39271).



Contact Information

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IFC

ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>.

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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/>



Campaign Documents

- [Business and Human Rights Resource Center: Patria Investments](#)