Early Warning System

IFC-45872

Agrocorp Corporate Loan

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Quick Facts

Countries	Bangladesh
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2022-06-28
Borrower	AGROCORP INTERNATIONAL PTE LTD
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 18.00 million
Loan Amount (USD)	$ 18.00 million
Project Cost (USD)	$ 32.50 million

Project Description

According to IFC, the proposed investment is a corporate loan of up to US$15 million to Agrocorp International Pte Ltd (Agrocorp or the “Company”). The proceeds will be used specifically towards supporting existing flows of wheat and pulses from Canada and Australia to Bangladesh which are processed at Agrocorp’s facilities. This investment will support food security in Bangladesh in light of higher staple agri-commodity prices (particularly wheat) caused by supply shocks from the Ukraine war.

Bangladesh is a large net importer of wheat and pulses, and Canada is a key origin from which Bangladesh buys over US$1 billion per year.

Pulse cleaning process starts with a screen cleaner and aspirator to take out coarse and fine impurities, and dust. Then a de-stoner is used to take-out high-density impurities. Sorting of pulses are based on size, density, and color. All grain/pulses shall meet the quality standards and grades, such as the Canadian Grain Commission. All APC and APA facilities are fully automated. As a dry mechanical process, grain and pulse mills require limited raw water inputs. Solid waste generated from the cleaning process is used as feed for livestock, agricultural inputs (fertilizer), and feedstock (biomass) for energy production.

This is a Category B project based on IFC’s 2012 Policy on Environmental and Social Sustainability.

Investment Description

- International Finance Corporation (IFC)

The total project cost is estimated at USD 32.5 million. USD 18 million will be provided via an own account A loan with the remaining USD 14.5 million coming from the International Development Association’s Private Sector Window Blended Finance Facility (IDA-PSW-BFF).

Private Actor Relationship

Agrocorp is incorporated in Singapore as a private limited company. The company is wholly owned by the founders, Vijay Iyengar, Akila Vijay and Ravi Raghavan.

Private Actors Description

Agrocorp is an agro-commodity trader with its headquarters based in Singapore (https://agrocorp.com.sg/). Established in 1990, Agrocorp is active in 50 countries. Originally an agricultural commodities trader, including sourcing 30 agro-commodities in 17 key origins, such as pulses, pea protein, legumes, wheat, sugar, rice, raw cashew nut, grains, oilseeds, and cotton, Agrocorp has been expanding its midstream operations in Australia, Canada, Myanmar and the US. It now owns 10 processing plants/elevators, including four pulses and wheat processing facilities in Canada (Agrocorp Processing Canada – APC - https://agrocorp.com.sg/processing/) and three grain and seed processing plants in Australia (Agrocorp Australia – APA - https://associatedgrain.com.au/).

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Agrocorp International Pte Ltd	Client	-

Contact Information

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ACCESS TO INFORMATION

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

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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

Bank Documents

- Environment and Social Review Summary

Other Related Projects

- IFC-39418 Agrocorp II
- FMO-58053 AGROCORP INTERNATIONAL PTE LTD
- IFC-41902 Agrocorp Oway