Early Warning System

IFC-46759

Olam WC Loan

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Quick Facts

Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	OLAM INTERNATIONAL LIMITED
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 200.00 million
Project Cost (USD)	$ 5,000.00 million

Project Description

According to the bank website:

> The proposed IFC investment is to support Olam Agri (or the “Company”) in purchasing of wheat, maize and soy in sourcing origins for delivery to Olam Agri’s processing operations and other customers in West Africa, South and South-East Asia, and Middle East and North Africa. Wheat, maize and soy will be sourced from Canada, Germany, Latvia, Lithuania, and the USA – all origins having consolidated agricultural areas.
>
> The proposed financing package is of up to US$200 million one-year corporate loan with an option to renew annually two times. This investment is part of the World Bank Group US$5 billion Global Food Security and Nutrition Crisis Program, including US$1 billion response by IFC. Olam Agri do not have any logistic facilities in the sourcing origins, while there are no expansion of existing Olam Agri’s processing operations in destination countries being envisioned by this proposed investment
>
> Olam Agri is a fully owned subsidiary of Olam Group, a leading food and agri-business supplying food, ingredients, feed and fibre worldwide with a value chain spanning over 60 countries, which includes farming, processing and distribution operations, as well as a global network of farmers. Olam Agri has a global origination of grains & oilseeds, animal feed & protein, rice, edible oils, specialty grains & seeds, cotton, wood products, rubber. Olam Agri is at the heart of global food and agri-trade flows with more than 40 million MT in volume traded annually.
>
> This would be IFC’s fourth investment in Olam since 2013, following a corporate loan investment of $US120 million which was approved in 2013 and repaid in 2015 (https://disclosures.ifc.org/project-detail/ESRS/31566/olam-corp-loan), a second corporate loan investment of $120 million approved in 2016 and repaid in 2021 (https://disclosures.ifc.org/project-detail/ESRS/34841/olam-ii-wc-loan), a third corporate loan investment of $120 million approved in 2020 (https://disclosures.ifc.org/project-detail/ESRS/40675/olam-smallholder-crop-financing) for procurement of crop (e.g. cashew, cocoa, coffee, cotton and spices) primarily grown by smallholder farmers in IDA countries (Papua New Guinea, Uganda, Vietnam, Indonesia). Olam’s environmental and social (E&S) performance against IFC’s Performance Standards requirements and implementation of E&S Action Plan (ESAP) has been satisfactory

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
-	-	-	-	Olam International Ltd	Client	Agriculture and Forestry

Contact Information

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

Other Related Projects

- IFC-34841 Olam II WC Loan
- IFC-31566 Olam Corp Loan
- IFC-40675 Olam Smallholder Crop Financing
- IFC-39310 Olam Palm Gabon