

 Early Warning System

IFC-47487

MCS Agri



## Quick Facts

<b>Countries</b>	Mongolia
<b>Specific Location</b>	Changana valley, Kherlen soum/district, Khentii province
<b>Financial Institutions</b>	International Finance Corporation (IFC)
<b>Status</b>	Proposed
<b>Bank Risk Rating</b>	A
<b>Voting Date</b>	2024-12-16
<b>Borrower</b>	MSC Holding LLC
<b>Sectors</b>	Agriculture and Forestry, Construction
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 60.00 million
<b>Loan Amount (USD)</b>	\$ 60.00 million
<b>Project Cost (USD)</b>	\$ 60.00 million



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## Project Description

As stated on the project disclosure page, the proposed IFC investment is corporate loan of up to US\$60m to MCS Group with specific use of proceeds for the:

- (i) construction of a 24-storey commercial building in central Ulaanbaatar (known as ICC Tower); and
- (ii) agricultural and meat production operations at Metagro (a fully owned subsidiary of MCS), including existing farm, cattle feedlot, and slaughterhouse/meat processing/packing facility.

The investment to Metagro will be the first IFC investment in the agriculture sector in Mongolia. Metagro's operational footprint includes:

- (i) 10,200ha of arable land divided in three plots (field 1, 2 and 3) of 4,000 ha; 4,000ha and 2,200ha, including 100ha of irrigated (central pivot irrigation) with a proposed expansion to 400ha;
- (ii) 50ha cattle feedlot, hay storage, feed silo, feed mixing areas, slaughterhouse/meat processing/packing facility of 10,000 to 15,000 cattle heads per year capacity that includes an on-site wastewater treatment (WWT) plant and a rendering plant next to the cattle feedlot;
- (iii) homesteads, greenhouses, irrigation pond, grain silos and maintenance workshop area.

The farm, cattle feedlot, slaughterhouse/meat processing/packing, and all ancillary facilities are located in the Chandgana valley, Kherlen soum/district, Khentii province situated 330 km east from Ulaanbaatar. This would be IFC's sixth investments in MCS.



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## Investment Description

- International Finance Corporation (IFC)

The proposed IFC investment of up to US\$60 million is comprised of a US\$40.5 million A Loan and US\$19.5 million syndicated loan from the Managed Co-Lending Portfolio Program (MCPPI).



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### Private Actors Description

As stated by the IFC, MCS is one of the largest diversified business groups in Mongolia operating in (i) civil engineering, (ii) healthcare, (iii) information technologies, (iv) maintenance and security services, (v) agriculture, and (vi) real estate development. MCS also owns a 31% share in Mongolian Mining Corporation which is listed on the Hong Kong Stock Exchange.

MCS was founded in 1993 by two brothers, Mr Odjargal Jambaljamts and Mr Od Jambaljamts. The founders own 88% of the company, and the remaining shares are owned by existing and former senior management. MCS Group has been a client of IFC since 2008.



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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
MCS Holding LLC	Client	Industry and Trade	owns	Metagro LLC	Subsidiary	Agriculture and Forestry

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## Contact Information

### General IFC Inquiries - IFC Communications:

Address: 2121 Pennsylvania Avenue, NW, Washington DC 20433

Telephone: +1 202-473-3800

Fax: +1 202-974-4384

### Client - Metagro LLC:

Solongo Batbekh - Chief Executive Officer

Phone: (+976) 7777-9070

Email: [solongo.b@metagro.mn](mailto:solongo.b@metagro.mn)

Address: Shangri-La Office, 19<sup>a</sup> Olympic Street, SBD-1, Ulaanbaatar, Mongolia

Website: [www.mcs.mn/en](http://www.mcs.mn/en)

### Local Access for Project Documentation:

Central Park, 8th floor, Sukhbaatar District-1, Ulaanbaatar city 14200, Mongolia

## 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](mailto:CAO@worldbankgroup.org) You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



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### Bank Documents

- [Earth Active\\_ Metagro ESIA Appendices Part 1\\_9Jul24](#)
- [Earth Active\\_ Metagro ESIA Appendices Part 2\\_9Jul24](#)
- [Earth Active\\_ Metagro ESIA\\_9Jul24](#)
- [Environmental and Social Review Summary \(ESRS\)](#)

### Community Documents

- [2nd letter of concern to the IFC - October 22, 2024](#)
- [2nd Letter to IFC Board of Directors\\_29NOV24](#)
- [Letter to IFC board of directors - Sept 27, 2024](#)
- [Letter to IFC staff - Sept 18, 2024](#)

### Campaign Documents

- [Ativistas pedem ao Banco Mundial que cancele empréstimo para expansão da pecuária em meio a incêndio](#)





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### Other Related Projects

- IFC-35864 MCS Unitel
- IFC-33808 Intermed
- IFC-31669 MCS Property
- IFC-28546 Shangri-La Ulaanbaatar Hotel LLC
- IFC-44118 MCS Covid