Early Warning System

IFC-49089

Combio Renewables

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Quick Facts

Countries	Brazil
Specific Location	Mogi Guacu and Campinas (state of Sao Paulo), Balsa Nova (state of Parana)
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2024-06-10
Borrower	ComBio Energia S.A.
Sectors	Agriculture and Forestry, Energy, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 72.00 million
Loan Amount (USD)	$ 72.00 million
Project Cost (USD)	$ 81.00 million

Project Description

According to the IFC, the proposed IFC investment is a corporate loan of up to US$72 million with defined use of proceeds for (i) the purchase and installation of four boilers for two Ingredion facilities (at Mogi Guaçu - https://maps.app.goo.gl/gY8AgpafNa5i5Vts9 and Balsa Nova - https://maps.app.goo.gl/9fvjBYwM8Cw1qQkk9 (Ingredion supplies food ingredients such as sweeteners, starches and biomaterials to food and beverage companies); and (ii) installation of a new boiler at Pirelli's facility in Campinas - https://maps.app.goo.gl/j8946myLKVusyD8z8 (Pirelli is an Italian multinational tire manufacturer).

ComBio operates two boilers of 100 tonnes/hour capacity each at Mogi Guaçu, state of São Paulo which were commissioned in September 2023 next to a production facility owned by Ingredion and two boilers of 50 tonnes/hour capacity commissioned in September 2023 at another production facility owned by Ingredion in the city of Bolsa Nova, state of Paraná. ComBio is currently undertaking construction works for the installation of one boiler of 30 tonnes/hour capacity in Pirelli's industrial facility located in the city of Campinas, state of São Paulo which is expected to start operations in early 2025.

Early Warning System Project Analysis

As stated by the IFC, sourcing of biomass for the boilers is considered low risk, as 30% is sourced from existing eucalyptus plantations in regions of low risk for habitat conversion. Some of these plantations overlap with Legally Protected Areas (LPAs) for which specific mitigation measure are required.

Investment Description

- International Finance Corporation (IFC)

Private Actors Description

As stated by the IFC, ComBio Energia S.A., established in 2008, is one of the leading providers of renewable thermal energy solutions from biomass in Brazil. ComBio's business model consists in installing biomass boilers inside its clients' facilities, managing its operations and maintenance, and sourcing of the feedstock from renewable and sustainable sources. The Company's biomass powered steam boilers provide a renewable and cost-effective alternative for industrial clients, reducing CO2, sulfur and nitrogen air emissions in comparison to existing diesel-based boilers.

ComBio is a private company domiciled in Brazil. Approximately 67% of the shares of the Company are held by the five founding shareholders. The remaining is held by two private equity funds (Lightrock and SPX Capital), with a combined approximately 31% stake in the Company, and five executives who joined as shareholders through the Company's Long-Term Incentive Program.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	ComBio Energia SA	Client	Energy
ComBio Energia SA	Client	Energy	contracts with	Ingredion Brasil Ingredientes Industriais Ltda.	Buyer	Agriculture and Forestry
ComBio Energia SA	Client	Energy	contracts with	Pirelli Pneus Ltda.	Buyer	Industry and Trade
Lightrock	Undisclosed	Finance	invests in	ComBio Energia SA	Client	Energy
Pirelli & C SpA	Parent Company	Industry and Trade	owns	Pirelli Pneus Ltda.	Buyer	Industry and Trade
SPX Capital	Undisclosed	Finance	invests in	ComBio Energia SA	Client	Energy

Contact Information

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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

Bank Documents

- Environmental and Social Review Summary