

 Early Warning System

IFC-49096

SAF Pakistan



Quick Facts

Countries	Pakistan
Specific Location	14-Km, Sharaqpur road, Sheikhpura, District Lahore
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-11-18
Borrower	BioTech Energy Pvt. Ltd. (SAFCO Venture Holdings Limited)
Sectors	Energy, Industry and Trade, Transport
Investment Type(s)	Equity, Loan
Investment Amount (USD)	\$ 30.00 million
Loan Amount (USD)	\$ 5.00 million
Project Cost (USD)	\$ 116.00 million



Project Description

As stated by the IFC, SAFCO Venture Holdings Limited BVI (“SAFCO Venture” or the “Company”) is a company established to own and operate biodiesel and sustainable aviation fuel (“SAF”) production facilities in Pakistan. Through its subsidiary Bio Tech Energy Pte Ltd (“BTE”), SAFCO Venture owns and operates a 50,000 tons per annum (tpa) biodiesel manufacturing facility in Sheikhpura, Pakistan. BTE produces second-generation biodiesel (99%) according to EU standards, which is entirely exported to Europe. The Company has developed an extensive oil feedstock collection network in the country with numerous collection points to collect oil feedstocks, including used cooking oil (UCO), poultry feather acid oil, and soap stock acid oil (byproduct of vegetable oil refineries). Through its subsidiary SAFCO Opco (Pvt) Ltd, Pakistan (“Project Company”) the Company plans to expand its operations by developing a Sustainable Aviation Fuel (SAF) facility with a planned capacity of 200,000 TPA adjacent to its existing BTE plant. The Company plans to expand its collection network to meet its increased demand of 180,000 TPA of feedstock for the SAF Project.

IFC is considering a financing package of up to US\$30 million (m) consisting of (i) up to US\$25 million in the form of preference shares and/or shareholder loans (“IFC preferred equity”), and (ii) up to US\$5 million in A-loan, to the Company to fund the construction and operation of the Project.

The SAF facility will use hydro-processed esters and fatty acids (HEFA), an established technology that relies on waste and residue lipids such as cooking oil and animal fats as feedstock, which is available in Pakistan.

BTE is negotiating a technology and supervision consultant agreement with [AXENS](#), a leading French technology company providing clean fuels solutions, to develop the SAF facility. The construction is planned to be completed in 20 months. To construct the SAF facility, BTE has engaged a consortium of an Indonesian based [PTIK](#) (PT Istana Karang Laut) and France based [SeaOwl](#) as turnkey Engineering, Procurement, and Construction (EPC) contractor.

Construction of the SAF facility will require 200 local workers from national construction companies plus approximately 15 international workers from EPC contractors.

BTE owns 5.84 acres of industrial land, with an existing BTE plant developed on 2.66 acres. The rest of the 3.18 acres will be used to establish the SAF facility. The SAF facility will produce renewable jet fuel to international standards, and a by-product bio-naphtha (12.5% of production) will be exported. The bio-propane gas (> 2.5%) produced in SAF production will be reused to provide fuel to the SAF facility.

The Client has secured an offtake for five years with Shell International Eastern Trading Company (SIETCO) for both SAF and Bio-Naphtha.



Investment Description

- International Finance Corporation (IFC)



Private Actors Description

As stated on the project disclosure page, SAFCO Venture is owned by Taimur Shaikh, Ali Shaikh (together, the “Sponsors”). SAFCO Pakistan is 100% owned by SAFCO Venture. SAFCO Venture will be the IFC investee company.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	BioTech Energy Pvt. Ltd.	Client	Industry and Trade
BioTech Energy Pvt. Ltd.	Client	Industry and Trade	contracts with	Axens SA	Contractor	Industry and Trade
BioTech Energy Pvt. Ltd.	Client	Industry and Trade	contracts with	Shell International Eastern Trading Company (SIETCO)	Buyer	Energy
PT Istana Karang Laut (PTIK)	Contractor	Energy	contracts with	SeaOwl Group	Contractor	Infrastructure
Royal Dutch Shell plc	Parent Company	Energy	owns	Shell International Eastern Trading Company (SIETCO)	Buyer	Energy



Contact Information

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Bank Documents

- [Environmental and Social Review Summary](#)

Media

- [IFC weighs \\$30m investment in Pakistan's SAFCO Venture](#)



Other Related Projects

- ADB-57298-002 Bio Tech Energy Sustainable Aviation Fuel Project
- ADB-57298-001 Pakistan : SAFCO Sustainable Aviation Fuel Project