

Early Warning System

IFC-49507

Element Mexico

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Quick Facts

Countries	Mexico
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2024-12-17
Borrower	Element Fleet Management Corp
Sectors	Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	$ 75.00 million
Loan Amount (USD)	$ 75.00 million
Project Cost (USD)	$ 100.00 million

Project Description

As stated on the project disclosure page, the IFC's proposed investment is a senior, unsecured debt financing package to be processed under the INR Strategic Client Framework initiative. The proposed loan may be structured in several tranches over multiple years.

The proposed investment entails a local currency-denominated (Mexican Pesos) senior loan of up to US$100 million equivalent in MXN to Element Fleet Management Corporation (Element or the Company) and its Mexican subsidiaries—Element Fleet Management Corporation México, S.A. de C.V., and Element Fleet México, S.A. de C.V., SOFOM, E.N.R. (Element Mexico Subsidiaries) for the acquisition of EVs (passenger cars, last-mile trucks, and vans) and investment in associated charging infrastructure (the Project).

Early Warning System Project Analysis

People Affected By This Project

Investment Description

- International Finance Corporation (IFC)

As stated by the IFC, the first tranche (US$ 100 million), to be committed in the fiscal year 2025, entails an up to 5-year Sustainability-Linked Loan (SLL) with IFC providing US$75 million A Loan and mobilizing US$25 million. Future tranches may be committed over the next 3-5 years based on Element Mexico’s capex plans and timeline.

Private Actor Relationship

Private Actors Description

As stated by the IFC, Element Fleet Management Corporation Mexico (https://www.elementfleet.com.mx/) (or the “company”) provides fleet financing and fleet management services to organizations. It optimizes fleet operations, including vehicle acquisition, maintenance, fuel management, safety, and remarketing. Element Mexico offers customized solutions to reduce costs, improve efficiency, and enhance fleet performance. While historically focused on fossil fuel-powered vehicles, Element Mexico is now dedicated to providing clients with solutions for electric vehicle (EV) adoption.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Element Fleet Management Corp	Client	Transport

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