

 Early Warning System

IFC-50266

CSCHEM expansion



Quick Facts

Countries	Nigeria
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	CSCHEM Limited
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 25.00 million
Project Cost (USD)	\$ 61.00 million



Project Description

According to the Bank's website, the proposed investment is a US\$25m A loan to Cepsa Quimica SA's affiliate companies, aimed at expanding its manufacturing operations for chemicals and additives in home and laundry care segments in Nigeria. CSCHEM Limited (HoldCo) has two operating companies (OpCo), SIL Chemicals Limited (SIL) and Reliance Chemical Products Limited (RCPL), which are involved in manufacturing and selling chemical products and trading detergent chemicals in Nigeria.

The investment involves two key expansions. First, the sulphonation plant will be upgraded to significantly increase the production of HLAS, an essential raw material for detergent manufacturing. This expansion aims to meet the rising demand in Nigeria and reduce dependence on imports. Second, a new regenerative furnace will be installed at the sodium silicate glass plant to boost the production of sodium silicate solids. Sodium silicate is a versatile chemical used in various industrial applications, including detergents, adhesives, and paper products. Both expansions are designed to strengthen local manufacturing capabilities and support the growth of related industries in the region.



Early Warning System Project Analysis

This is a Category B project based on IFC's 2012 Policy on Environmental and Social Sustainability as E&S risks and impacts associated with the project are limited, site-specific, and can be readily addressed through generally accepted mitigation measures described in this document and the Environmental and Social Action Plan (ESAP).

Key E&S risks and impacts associated with the project include: (a) corporate and site level E&S capacity and management systems for its operations; (b) industrial risks assessment (i.e. HAZOP study); (c) implementation of labour and working conditions in line with IFC PS2 and legal requirements in Nigeria; (d) Occupational Health and Safety (OHS) management systems including contractors / OHS risks from long term exposure to chemicals; (e) liquid and solid waste management; (f) road traffic safety of distribution network; (g) assessment and management of security arrangements; (h) stakeholder engagement; and (i) gender based violence issues.



Investment Description

- International Finance Corporation (IFC)

The project is expected to cost US\$61 million including (i) IFC A loan of US\$25 million (ii) US\$20 million in commercial bank term loan from the Development Finance Institution, Nigeria (iii) US\$16m equity.



Private Actors Description

CSCHEM Limited is a distributor of chemical raw materials. The company is 70% owned by SIL Holdings Ltd and 30% owned by CEPASA Quimica SA. CEPASA is one of the leading producers of LAB globally and is owned by Mubadala Investment Company in UAE and Carlyle Group since 2019.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	CSCHEM Limited	Client	-



Contact Information

Contact Person: Prasanna Rajendran Company

Name: CSCHEM Ltd

Address: Plot No.C21/43 Anioma Road,

Agbara Industrial Estate, Agbara,

Ogun State, Nigeria

Email: prasanna@silchemicals.com Phone: +234 8141 306961

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Bank Documents

- [Environmental & Social Review Summary \(ESRS\)](#)