

 Early Warning System

IFC-51263

Arboreal Timber



Quick Facts

Countries	Uruguay
Specific Location	City of Tacuarembó
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	ARBOREAL S.A.
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	\$ 40.00 million
Project Cost (USD)	\$ 40.00 million



Project Description

Arboreal S.A. (“Arboreal” or “the Company”) is a leading mass-timber producer in Latin America, with 100% market share in Uruguay and 50% market share across South America. The Company operates modern sawmill and Mass Timber (cross-laminated timber - CLT, and Glulam - GLT) facilities in Tacuarembó, Uruguay. Arboreal supplies certified softwood products (primarily Taeda pine) to markets in Asia, Europe, Oceania, South & Central America, and MENA (Middle East and North Africa). The proposed investment consists of an IFC A-loan of up to US\$20 million and mobilization of an additional US\$20 million from B-lenders, as part of a US\$40 million financing package to support Arboreal’s FY25–27 investment program. IFC financing will support Arboreal’s FY26–28 investment program, focused on value addition and operational efficiency. Key initiatives include: (i) installation of a thermally modified timber (TMT) production line, (ii) deployment of a biomass/briquette system for byproducts and sawdust, and (iii) general capital expenditures at the Tacuarembó plant. Additionally, the program will refinance Arboreal’s existing debt. The Project is expected to begin in January 2026 and be completed by June 2027, leading to an estimated 10% increase in the Company’s employment.



Investment Description

- International Finance Corporation (IFC)



Contact Information

IFC

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