Early Warning System

IFC-52302

Balfin Expansion

Quick Facts

Countries	Albania, Armenia, Azerbaijan, Georgia, Ukraine
Specific Location	Albania, Ukraine, and the Caucasus
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	Balkan Finance Investment Group Sh.p.k (Balfin)
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 162.18 million
Project Cost (USD)	$ 463.38 million

Project Description

According to the Bank’s website, IFC proposes a €140 million debt package to Balfin Group, an existing IFC client. This investment will support: (i) entry into Ukraine and the South Caucasus region with Balfin's retail business; and (ii) tourism development in Albania. The debt package will be structured as secured loans, expected to be committed in three separate phases over the next three years: (i) up to €57mn to finance the energy efficient expansion of TEG; (ii) up to €50mn for capex and working capital of retail expansion outside Albania, including in Ukraine and Southern Caucasus; and (iii) up to €33mn for tourism development through a hotel in the city of Vlora.

Early Warning System Project Analysis

This is a **Category B** project based on IFC's 2012 Policy on Environmental and Social Sustainability. Potential E&S risks associated with the TEG Expansion Project include: (i) labor and working conditions for direct and third-party workers, including grievance management, gender-based violence and harassment (GBVH) prevention; (ii) occupational and community health, safety and security, including OHS, traffic management, and construction- and operations-related impacts; (iii) pollution prevention and resource efficiency, including water quality and waste management; (iv) Life and Fire Safety (L&FS) and emergency preparedness and response; (v) tenant and security management; and (vi) stakeholder engagement and community consultation.

Investment Description

- International Finance Corporation (IFC)

A €140 million debt package.
Total needs for the Project are estimated at about €400 million.

Private Actors Description

Balfin is a leading diversified conglomerate based in Albania with operations in the Western Balkans, Austria, and, more recently, North America. Established in 1993, it is fully owned by Mr. Samir Mane. Balfin owns 97% of TEG with the remaining shares held by First Investment Services (3%).

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Balfin Group	Client	-

Contact Information

For Inquiries About the Project, Contact:

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Local Access of Project Documentation:

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You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

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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 & Social Review Summary (ESRS)