

 Early Warning System

IIC-11907-03

OLEANA



Quick Facts

Countries	Ecuador
Specific Location	Provinces of Esmeraldas and Los Rios
Financial Institutions	IDB Invest (IDBI)
Bank Risk Rating	U
Voting Date	2017-01-31
Borrower	Grupo Oleana
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Loan Amount (USD)	\$ 11.10 million



Project Description

Oleana is in the process of expanding its operations, including: (a) the construction, operation and maintenance of a new refinery; (b) expand the extraction operation for palm crude oil (CPO) and palm kernel oil (PKO); (c) provide refinancing of existing financial debt and soft finance costs of the Project and (d) support permanent working capital needs.

Environmental Review:

Overview of Scope of IIC E&S Review

The Inter-American Investment Corporation (IIC) and the Netherlands Development Finance Company (FMO) teams carried out an initial due diligence of the project between August 22 - 26, 2016 and the environmental and social due diligence took place between September 12-16, with the support of Arcadis, an environmental consulting firm. The assessment was made based on the review of information from primary and secondary sources against IFC Performance Standards (PS). Specifically, the IIC reviewed the different Environmental and Social Impact Assessment (ESIA) reports and Fichas Ambientales (environmental files), internal official documents about Oleana's policies and procedures, and carried out on-site visits to plantations and operations, and interviews with stakeholders inside and outside Oleana (managers, workers, suppliers and neighbors of Oleana's premises).

Environmental and Social Categorization and Rationale

This is a Category A project according to the IIC's Environmental and Social Sustainability Policy because it could result in potentially significant and diverse environmental and social impacts.

Environmental and Social Context

Sudavesa is located in the vicinity of the town of Tachina, Province of Esmeraldas. At present the town has a population of 4,600 inhabitants who dedicate their efforts to agriculture, fishing and livestock as well as labor force for the city of Esmeraldas. Las Golondrinas is also located in Esmeraldas Province but near the town of Simón Bolívar. There are around 2,700 inhabitants currently in the town and the majority of the population is engaged in agriculture (palm, cocoa, passion fruit, banana, cassava and other crops). The population also depends on the employment generated by the companies La Sexta, Palmeras de los Andes and Botrosa. Extracosta is located in the town of Pueblo Viejo, Los Ríos Province. Pueblo Viejo region is the main producer of bananas in the province of Los Ríos, but it also produces cacao, tropical fruits, coffee and short cycle products such as rice, corn, soy, and tomato.



Investment Description

- IDB Invest (IDBI)

Financing Requested: US\$11,100,000



Contact Information

For inquiries and comments to IIC, contact:

IIC's Communications Group

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For project inquiries, including environmental and social questions related to an IIC investment, please contact the client or the IIC using the contact information provided above. In addition, project affected communities have access to the IIC Independent Consultation and Investigation Mechanism.

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ACCOUNTABILITY MECHANISM OF IIC

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at <http://www.iadb.org/en/mici/mici,1752.html> (in English) or <http://www.iadb.org/es/mici/mici,1752.html> (Spanish).



Bank Documents

- [Estudio de Impacto Ambiental](#)
- [Estudio de Impacto y Plan de Manejo Ambiental](#)
- [Estudio de Impacto y Plan de Manejo Ambiental para la Construcción de una Extractora de Aceite](#)
- [Estudio de Impacto y Plan de Manejo Ambiental para la Construcción y Operación de la Planta Extracto](#)
- [Resumen Ejecutivo - Estudio de Impacto Ambiental](#)
- [Resumen Ejecutivo - Estudio de Impacto Ambiental. Enero, 2017](#)