Early Warning System

IFC-46616

Bacao

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Quick Facts

Countries	Colombia
Specific Location	Cabuyaro, Barranca de Upia, Villanueva
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2023-10-31
Borrower	BACAO SAS
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 21.00 million
Loan Amount (USD)	$ 21.00 million
Project Cost (USD)	$ 42.00 million

Project Description

As stated by the IFC, the proposed investment consists of a financing package of up to US$42 million to Bacao SAS to finance the development of approximately 3,800 hectares of cacao plantations and post-harvesting facility in the Meta region of Colombia.

Bacao is an agroforestry cacao company that seeks to produce sustainable cacao by creating inclusive and climate-smart productive ecosystems that will not only contribute to rehabilitate degraded lands but also benefit local communities.

The cacao will be supplied to Mars through a long-term off-take agreement. As of October 2022, 1,300 ha of cacao have been planted (150 ha are already productive), and additional 750 hectares are planted with shade trees, ready to be planted with cocoa seedlings. A small percentage of cocoa beans from local suppliers (less than 5%) are currently processed in the post-harvesting facility. These smallholder farmers also receive technical assistance from the Project. The Project employs about 360 workers and is expected to create 700 direct jobs. The closest towns are Cabuyaro (population 5,000), Barranca de Upia (pop. 5,000) and Villanueva (pop. 30,000).

Investment Description

- International Finance Corporation (IFC)

As stated on the project disclosure page, the IFC will provide an up to US$ 10.5 million senior loan for its own account and mobilize an up to US$ 10.5 million from the IFC-Canada Blended Finance Climate Program and up to US$21 million loan from parallel lender(s) for the development of 3,800 hectares (ha) of cacao plantations and a post-harvesting facility in Cabuyaro, Department of Meta, Colombia (https://goo.gl/maps/pqrDrFKGPPAUqvjQ8)

Private Actors Description

As stated by the IFC, BACAO S.A.S. is a subsidiary of Andean Cacao GmbH (https://www.andeancacao.com/), a company with current shareholders being Mars Nederland B.V., ECOM Agroindustrial Corp. Ltd., Amazonas-AI Fund SCS, SICAV-FIAR and 12Tree GmbH. BACAO was established in 2016 and is focused on the production and supply of sustainably produced cacao in Colombia.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
12Tree GmbH	Investor	Finance	invests in	Andean Cacao GmbH	Client	Agriculture and Forestry
Andean Cacao GmbH	Client	Agriculture and Forestry	contracts with	Mars, Incorporated	Buyer	Industry and Trade
ECOM Agroindustrial Corp Ltd	Investor	Agriculture and Forestry	invests in	Andean Cacao GmbH	Client	Agriculture and Forestry

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

Other Related Projects

- IFC-603625 Colombia Cocoa