Early Warning System

IFC-36054

Adeco Agropecuaria Argentina

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Quick Facts

Countries	Argentina
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	A
Voting Date	2016-09-01
Borrower	ADECO AGROPECUARIA S.A.
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	$ 50.00 million
Project Cost (USD)	$ 50.00 million

Project Description

The investment proceeds will be used for AdecoAgro ARG's farming operations in Argentina. The AdecoAgro Group produces sugar, ethanol and electrical energy through biomass combustion in Brazil, grains (corn, soybeans, sorghum, wheat, barley, cotton and sunflower seeds), rice and dairy products in Argentina, Brazil and Uruguay. The company also focuses on enhancing the production capacity and value of its farmlands. Adeco owns four farms with rice plantations: Ita Caabo (22,888ha), Oscuro (33,429ha), San Joaquin (37,273 ha) and Doña Marina (14,755ha); Carmen Diary farm (10,021ha) with crop production for animal feed; rice mills at Mercedes, San Salvador and Franck; and a 50/50 joint venture Sunflower Processing Plant with CHS Agro. In addition, AdecoAgro ARG owns the following farms used for agricultural purposes and cattle farming: La Carolina (8,444ha), El Orden (6,875ha), Ombu (18,321ha), El Colorado (4,960 ha), El Meridiano (6,302ha), Huelen (4,633ha), La Garrucha (3,606ha), La Guarida (15,451ha), La Horquetas (2,086ha), La Rosa (4,087ha), Los Guayacanes (7,242ha), Santa Lucia (17,484 ha), Abolengo (7,473ha) and San Carlos (4,215ha). AdecoAgro ARG is also a cost-competitive milk producer with efficient, state-of-the-art free stall dairy farms located in Santa Fe province in Argentina's cuenca lechera (dairy area).
The company will use IFC´s investment for the following: to support ongoing operations including permanent working capital, land leveling in rice farms (zero level production) and Agricultural equipment as well as for investing in an anaerobic bio-digestion of animal waste to produce electric power for internal use and/or sale to the national grid.

Investment Description

- International Finance Corporation (IFC)

IFC is providing a loan to Adeco Agropecuaria S.A. and Pilaga S.A. (both referred to as “AdecoAgro ARG” or the “Company”). These two entities are subsidiaries of the holding company AdecoAgro S.A..

Contact Information

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

- Estudio de impacto ambiental San Joaquin.pdf
- Adecoagro - Evaluación Rápida de Biodiversidad 2016