



## Project detail - BURAPHA AGRO-FORESTRY CO. LTD

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Status: Approved investment

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#### In case of questions

In case of questions, please contact us at [disclosure@fmo.nl](mailto:disclosure@fmo.nl)

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#### Who is our customer

Burapha is a Lao-Swedish joint venture with forest plantations and processing capacity, which develops and manages agroforestry plantations in the greater Vientiane area (Laos). Burapha's strategy is to increase its plantation base and to build a plywood mill of nominal capacity 59,000 m<sup>3</sup>, with the ultimate objective to produce cost competitive and sustainable FSC certified wood products, mainly plywood, for export and the domestic market.

#### What is our funding objective?

The proposed funding will be used for CAPEX of the plywood mill and expansion of plantations from 3,540 ha to 7,000 ha by the end of 2019.

#### Why do we fund this investment?

The proposed transaction fits with the agribusiness strategy and forestry strategy due to: i) the region (Laos), (ii) sector (Agro-forestry) with integrated production and processing, (iii) catalysing/cooperation with preferred partner DFIs; iv) acceptable risk/ return balance; v) green and inclusive transaction.

#### What is the Environmental and Social categorization rationale?

The project is considered to be a medium high risk, category B+ project, based on general limited potential adverse social or environmental impacts that are mainly site specific and can be mitigated by normal industry practices. IFC Performance Standards 1 to 7 are applicable: E&S Management, Labour (circumstances), Pollution Prevention, Community, Land Acquisition, Biodiversity and Indigenous People. Performance Standard 8, Cultural Heritage is not relevant, there have been nor are expected areas of cultural significance to be impacted by Burapha's operations. The client will comply with the IFC Performance Standards (IFC PS), the General IFC/WB EHS Guidelines and the sector-specific EHS guideline: Forest Harvesting Operations and Sawmilling and Wood-based products and will maintain FSC certification for its operations.

#### More investments

Date	Total FMO financing
<a href="#">12/10/2018</a>	<a href="#">USD 5.00 MLN</a>
Region	Asia
Country	Lao People's Democratic Republic
Sector	Agribusiness, Food & Water
Publication date	5/25/2018
Effective date	12/10/2018
Total FMO financing	USD 5.00 MLN
Funding	Building Prospects

Risk categorization on environmental and social impacts, A = high risk, B+ = medium high risk, B = medium risk, C = low risk Environmental & Social Category  
(A, B+, B or C)

B+

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