# Astarta

<table>
<thead>
<tr>
<th>Location:</th>
<th>Ukraine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project number:</td>
<td>38140</td>
</tr>
<tr>
<td>Business sector:</td>
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</tr>
<tr>
<td>Notice type:</td>
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<tr>
<td>Environmental category:</td>
<td>B</td>
</tr>
<tr>
<td>Target board date:</td>
<td>01 Apr 2008</td>
</tr>
<tr>
<td>Status:</td>
<td>Completed</td>
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<td>PSD disclosed:</td>
<td>18 Jan 2008</td>
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## Project Description

The proposed loan to Astarta Holding will be applied to finance

(i) the Astarta Holding’s investments in energy efficiency improvements at its five sugar plants,

(ii) purchase of agricultural equipment for its farms, and

(iii) restructuring Astarta Holding’s balance sheet.

See also Mid-Sized Corporate Support Facility  

## Transition Impact

The project will result in energy efficiency improvements in the energy intensive sugar production of Astarta Holding. The main transition impact potential of the Project is expected to be derived from energy efficiency aspects of the investment programme including a potential for obtaining carbon
credits. The project will have a positive demonstration effect on other Ukrainian sugar producers and farmers in the region.

The Client
"Astrata-Kyiv" LLC (the "Company"), its parent companies and its operating subsidiaries (together the "Astarta Holding") is the leading largest sugar producer in Ukraine.

EBRD Finance
Up to USD 20 million long term loan to the Astarta Holding.

Project Cost
The project is estimated to cost USD 20 million to implement.

Environmental Impact
Screening category and justification:

The project was screened as B/1 requiring an environmental due diligence consisting of a Corporate Environmental Audit and an Environmental Analysis of the proposed investment plan to ascertain future compliance with national and the EU environmental standards.

Due diligence undertaken and outcomes:

The environmental due diligence of the Project was undertaken by an independent international environmental consultant and included site visits to the Company headquarters and the key operational facilities and farms. During the due diligence meetings where also held with senior technical and production managers at the corporate and site levels.

The Company operates a number of sugar processing facilities, which have been gradually modernized. Many of these facilities have been re-commissioned by Astarta Holding in recent years and are currently being refurbished. The environmental due diligence has confirmed that the plants are in general compliance with National environmental standards, additional benchmarking was undertaken against the EU environmental standards. The financing of energy efficiency measures will significantly improve the environmental standing of the Company.

Based on the environmental due diligence an Environmental and Social Action Plan (ESAP) was developed and is being agreed with the Company. This is envisaged to include the development of a systematic approach to environmental issues at the Company, including the implementation of an environmental management system certified to ISO 14001.

Implementation requirements:

- The Company will be required to provide the Bank with an annual environmental report, including updates on the ESAP, and notification on any material accidents or incidents
The Company will implement the ESAP (as will be agreed with the Company) and an Environmental Management System.

The Company will conduct its business with due regard to National and EU environmental regulations and standards.

The Company will facilitate periodic monitoring visits by Bank staff or appointed representatives, when deemed necessary.

Technical Cooperation

An energy audit has been commissioned to assist the Astarta Holding in analysing energy saving project opportunities. The energy audit has been conducted by a company contracted within the Energy Audit Programme funded by the Central European Initiative.

Company Contact

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Business opportunities

For business opportunities or procurement, contact the client company.

For state-sector projects, visit EBRD Procurement (http://www.ebrd.com/pages/workingwithus/procurement.shtml): Tel: +44 20 7338 6794
Email: procurement@ebrd.com

General enquiries

EBRD project enquiries not related to procurement:
Tel: +44 20 7338 7168
Email: projectenquiries@ebrd.com

Public Information Policy (PIP)

The PIP sets out how the EBRD discloses information and consults with its stakeholders so as to promote better awareness and understanding of its strategies, policies and operations. Please visit the Public Information Policy page below to find out how to request a Public Sector Board Report.

Text of the PIP (http://www.ebrd.com/pages/about/what/policies/pip.shtml)

Project Complaint Mechanism (PCM)
The Project Complaint Mechanism (http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html) (PCM) is the EBRD's accountability mechanism. It provides an opportunity for an independent review of complaints from individuals and organisations concerning EBRD-financed projects which are alleged to have caused, or are likely to cause, environmental and/or social harm.

Please visit the Project Complaint Mechanism (http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html) page to find information about how to submit a complaint. The PCM Officer (pcm@ebrd.com (mailto:pcm@ebrd.com)) is available to answer any questions you may have regarding the submission of a complaint and criteria for registration and eligibility, in accordance with the PCM Rules of Procedure (http://www.ebrd.com/documents/occo/project-complaint-mechanism-pcm-rules-of-procedure.pdf).