

# IFC CEMENT OVERVIEW

## LATIN AMERICA AND THE CARIBBEAN

2026

CONFIDENTIAL

# AGENDA

## I. IFC INTRODUCTION

## II. IFC PERSPECTIVES IN THE CEMENT INDUSTRY, LATIN AMERICA AND THE CARIBBEAN

## III. IFC SUPPORT IN THE SECTOR

# IFC IS A MEMBER OF THE WORLD BANK GROUP

*The International Finance Corporation (IFC) is one of the 5 institutions that make the World Bank Group.*



## IBRD

International Bank for  
Reconstruction and  
Development

Loans to middle-income  
and creditworthy  
low-income country  
governments



## IDA

International  
Development  
Association

Interest-free loans and  
grants to governments  
of poorest countries

## IFC

International  
Finance  
Corporation

**Solutions  
in private-sector  
development**



## MIGA

Multilateral  
Investment  
Guarantee Agency

Guarantees for foreign  
direct investment's  
non-commercial risks



## ICSID

International Centre for  
Settlement of  
Investment Disputes

Conciliation and  
arbitration of investment  
disputes



# THE PRIVATE SECTOR ARM OF THE WORLD BANK GROUP

*IFC is the largest global development institution focused on the private sector in developing countries.*

## Mobilizing the private sector to create markets and opportunities

- Engage in **difficult environments** and **mobilize private finance** enabling a **development impact** beyond IFC's direct resources.
- **Sustainability:** IFC is an investor focused on development impact and climate change. Promoter of environmental, social, and corporate governance standards.
- **Create, deepen, and expand markets** where they are weak or do not currently exist. **Maximize the financing** available in areas with the most needs.

## Upstream and Advisory

- IFC is committing time and resources to create and implement investment projects through:

## IFC FY25 figures

- Total commitments: **US\$71.6B**
- Total long-term commitments: **US\$56B**
- Own-account commitments: **US\$28.2B**
- Core mobilization commitments: **US\$43.4B**

Leveraging the full range  
of **World Bank Group**  
capabilities

More than **US\$350B**  
invested since our  
founding in 1956

Provides **investment,  
advice, resource  
mobilization**

**AAA** credit rating;  
owned by **185**  
countries

Present in nearly  
**100** countries



# OUR FOOTPRINT IN CEMENT

IFC has a large, diverse footprint in the cement industry backed by its industry expertise and sustainability leadership.



**+US\$ 7B**

**Cumulative commitments**



**300+**

**Projects globally**



**77+**

**Countries worked**



**Industry expertise**

**In-house industry specialists**



**Sustainability leader**

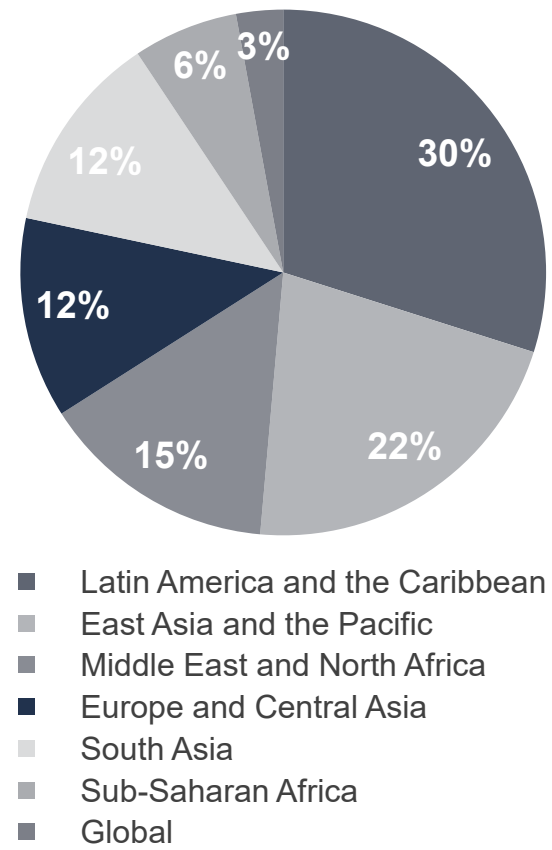
**Promoter of E&S and CG standards**



**+US\$800M**

**Current active portfolio**

Geographical split of IFC cumulative investments in cement <sup>[1]</sup>



1. ~US\$7.1bn in total – including US\$2.2bn in mobilization

# IFC TRACK RECORD IN CEMENT BEYOND INVESTMENTS

19 clients, 2 Low Carbon Roadmaps,  
4 publicly available reports

## Latin America and the Caribbean

- Support to Asocem (Peruvian Cement Association) on blended cement standards and environmental co-processing regulation in coordination with FICEM to unlock use of low carbon cements;
- Low Carbon Technology Roadmap (Brazil) - IFC was the key partner of SNIC and ABCP and led development of the Energy Efficiency and Alternatives Fuels pillars of the roadmap (presented by Brazil as an example of a sector strategy at the UN COP 26);
- Support to Procemco (Colombia): Use of RDF in the Antioquia department;
- LafargeHolcim/ CSN (Brazil);
- Cementos Progreso (Guatemala);
- Votorantim (Brazil) - scoping visits to determine EE and AF opportunities at Salto and Sta Helena plants. Joint work on decarbonization strategy.

## Africa

- LafargeHolcim (Nigeria)
- National Cement (Ethiopia)
- Sococim – Vincat Group (Nigeria)

- BUA Cement (Senegal)
- Alternative Fuels Study (AFR)

## South Asia

- Ultratech, Shree Cement, Ras, ACC, Ambuja, My Home Industries,
- Dalmia Cement, Sonapur Cement (India)
- Low Carbon Technology Roadmap (India)

## East Asia and Pacific

- DongLam, VCM, Song Gianh (Vietnam)

## East and Central Europe

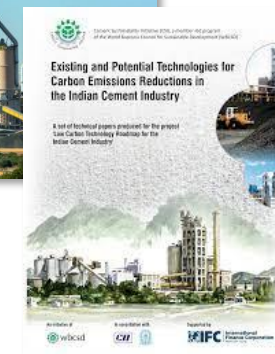
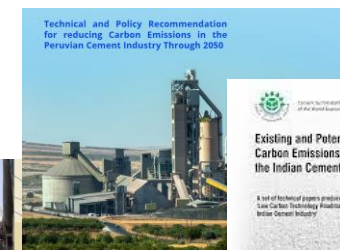
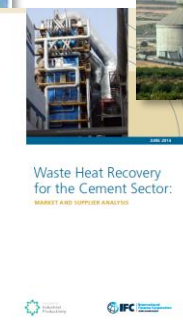
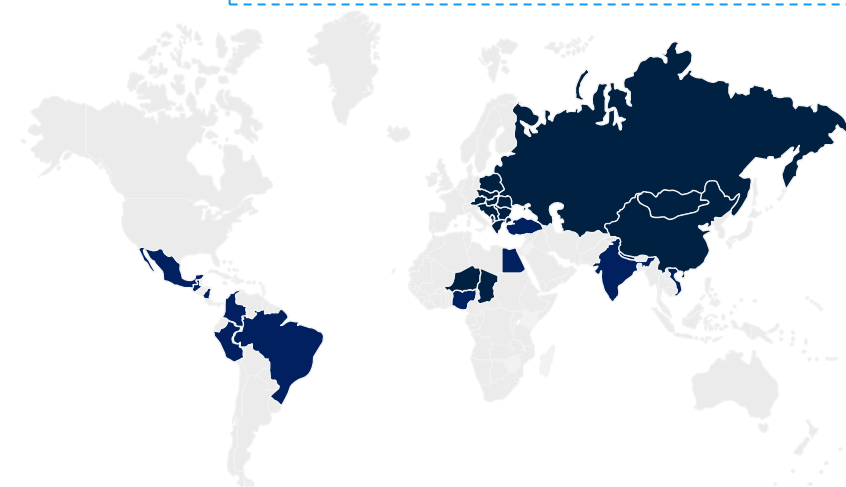
- Denizly Cimento, Oyak Group (Turkey)
- ORC WHR workshop (Turkey)
- WHR review (Turkey)

## Middle East and North Africa

- AYCC (Yemen)
- Alternative Fuels Study (Egypt)

## Global

- Global Waste Heat Recovery in Cement Report





# SELECT IFC CEMENT TRANSACTIONS

*IFC has supported cement companies in emerging markets since 1958.*

|                                                                                                                                                                |                                                                                                                                                                          |                                                                                                                                                                            |                                                                                                                                                                                |                                                                                                                                                                                     |                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Nigeria</b><br/>BUA Cement</p> <p>US\$ 500m<br/>Loan, Mobilization</p>  | <p><b>África (7 países)</b><br/>HeidelbergCement</p> <p>US\$ 250m<br/>Loan, Equity</p>  | <p><b>Senegal</b><br/>Sococim/Vicat</p> <p>€242m<br/>Loan, Mobilization</p>             | <p><b>Global</b><br/>Italcementi</p> <p>US\$ 200m<br/>Loan, Equity</p>                      | <p><b>Kazakstán</b><br/>Vicat/Jambyl Cement</p> <p>US\$ 185m<br/>Loan, Mobilization, Equity</p>  | <p><b>Türkiye</b><br/>Sanko Cement</p> <p>US\$ 175m<br/>Loan, Mobilization</p>  |
| <p><b>Brasil</b><br/>Votorantim</p> <p>US\$ 150m<br/>Loan</p>                 | <p><b>Irak</b><br/>Al-Dough</p> <p>US\$ 130m<br/>Loan, Mobilization</p>                 | <p><b>Yemen</b><br/>AYCC</p> <p>US\$ 125m<br/>Loan, Mobilization</p>                    | <p><b>Egipto</b><br/>Titan</p> <p>US\$ 120m<br/>Equity</p>                                  | <p><b>Vietnam</b><br/>Holcim</p> <p>US\$ 97m<br/>Loan, Mobilization</p>                          | <p><b>China</b><br/>Anhui Conch</p> <p>US\$ 86m<br/>Loan</p>                    |
| <p><b>China</b><br/>Tianrui Cement</p> <p>US\$ 71m<br/>Loan, Equity</p>       | <p><b>China</b><br/>Shanshui Cement</p> <p>US\$ 58m<br/>Loan, Equity</p>                | <p><b>República Dominicana</b><br/>Domicem</p> <p>US\$ 56m<br/>Loan</p>                 | <p><b>Vietnam</b><br/>Nghi Son Cement (Taiheyo)</p> <p>US\$ 56m<br/>Loan, Mobilization</p>  | <p><b>Etiopía</b><br/>Midroc</p> <p>US\$ 55m<br/>Loan</p>                                        | <p><b>Rep. Dem. del Congo</b><br/>PPC Barnett DRC</p> <p>US\$ 52m<br/>Loan</p>  |
| <p><b>India</b><br/>OCL India Ltd.</p> <p>US\$ 50m<br/>Loan</p>             | <p><b>Argelia</b><br/>ACC Cement</p> <p>US\$ 45m<br/>Loan</p>                         | <p><b>Trinidad y Tobago</b><br/>TCL Group</p> <p>US\$ 37m<br/>Loan, Risk-sharing</p>  | <p><b>Myanmar</b><br/>Shwe Taung Cement</p> <p>USD\$35m<br/>Loan, Equity</p>              | <p><b>Albania</b><br/>Fushe Kruje / Seament</p> <p>US\$ 30m<br/>Loan</p>                       | <p><b>Filipinas</b><br/>Holcim</p> <p>US\$ 27m<br/>Loan, Equity</p>           |

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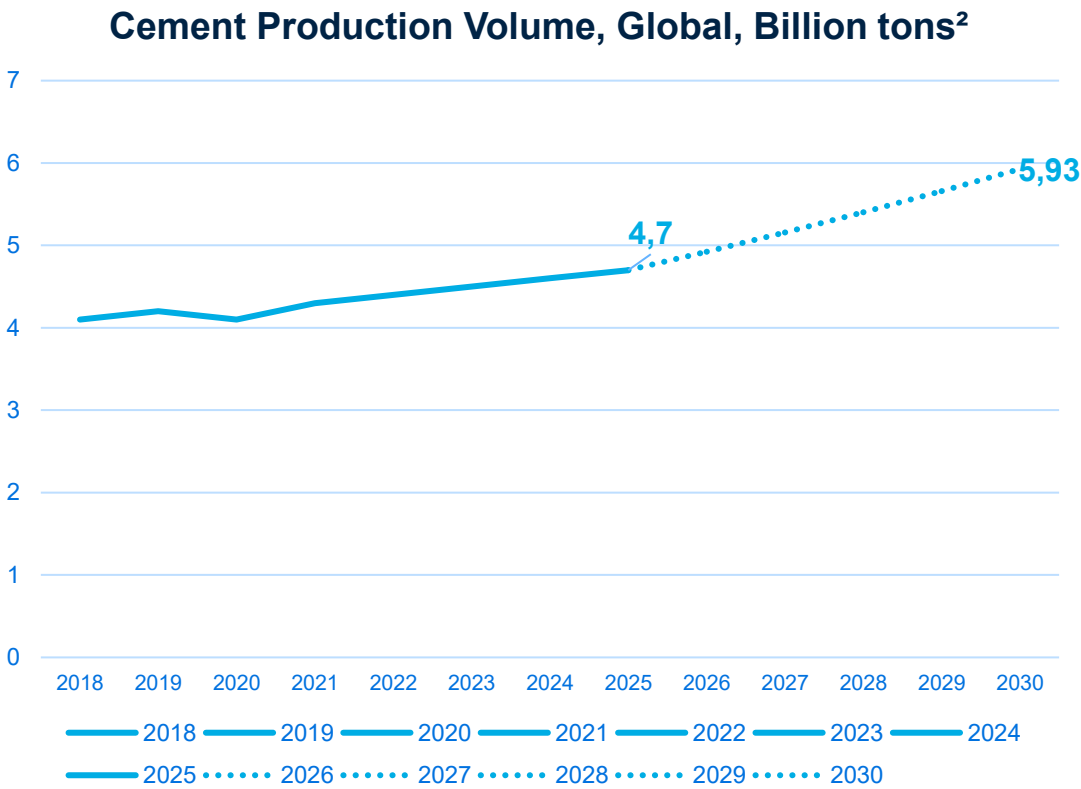
III. IFC SUPPORT IN THE SECTOR



# IF CEMENT PRODUCTION WERE A COUNTRY, IT WOULD BE THE 4TH LARGEST CO2 EMITTER, AND GROW FASTER THAN THE POPULATION...

Cement sector and countries CO2 emissions, Mt CO2/ year (2021)<sup>1</sup>

|                                                                                                        |          |
|--------------------------------------------------------------------------------------------------------|----------|
|  Global               | 37,900   |
|  China                | 12.466,3 |
|  United States        | 4.752,1  |
|  India                | 2.648,8  |
|  Cement <sup>2</sup>  | 2.628,0  |
|  Russian Federation   | 1.942,5  |
|  Japan                | 1.084,7  |
|  Islamic Rep. of Iran | 710,8    |
|  Germany              | 665,9    |
|  Rep. of Korea       | 626,8    |
|  Indonesia          | 602,6    |

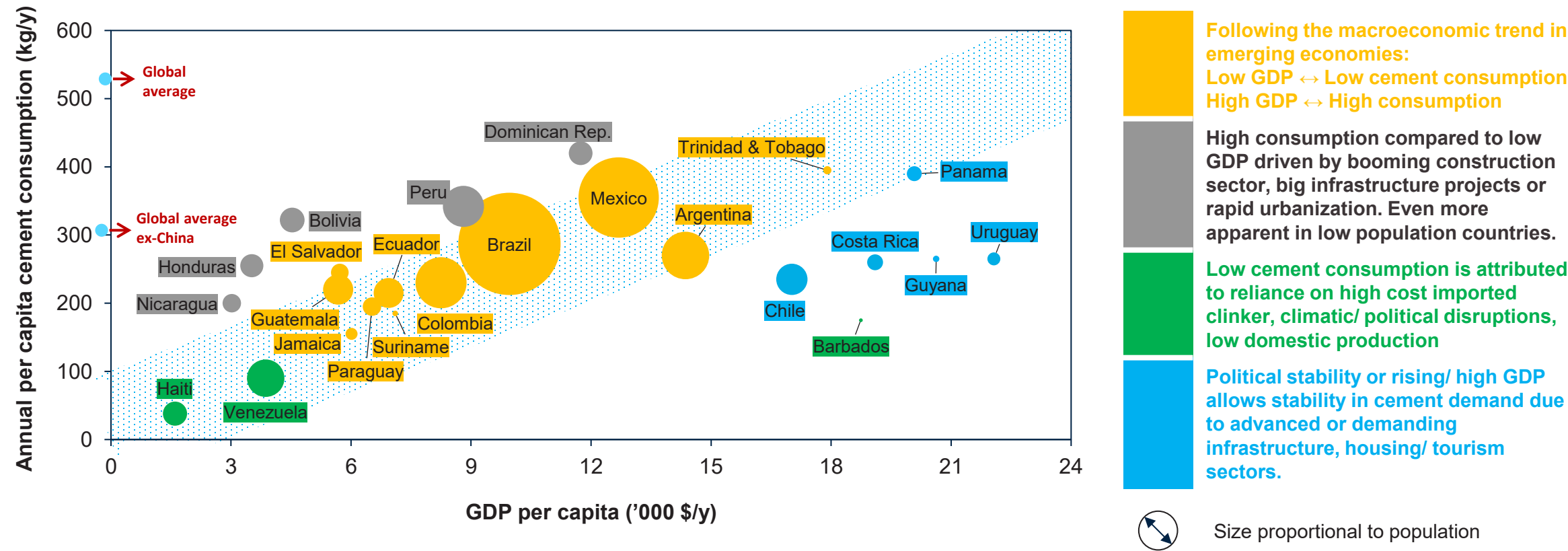


1. Crippa M., Guizzardi D., Banja M., Solazzo E., Muntean M., Schaaf E., Pagani F., Monforti-Ferrario F., Olivier, J.G.J., Quadrelli, R., Risquez Martin, A., Taghavi-Moharamli, P., Grassi, G., Rossi, S., Oom, D., Branco, A., San-Miguel, J., Vignati, E. CO2 emissions of all world countries – JRC/IEA/PBL 2022 Report, Publications Office of the European Union, Luxembourg, 2022, doi:10.2760/07904, JRC130363

2. Robbie Andrew, GCP-CEM: The Global Carbon Project CEMent-process emissions, CICERO Center for International Climate Research, Oslo, Norway, 2022

# THERE IS A POSITIVE CORRELATION BETWEEN GDP AND CEMENT PER CAPITA CONSUMPTION. GROWING ECONOMIES SEEK FOR ADDITIONAL CAPACITIES...

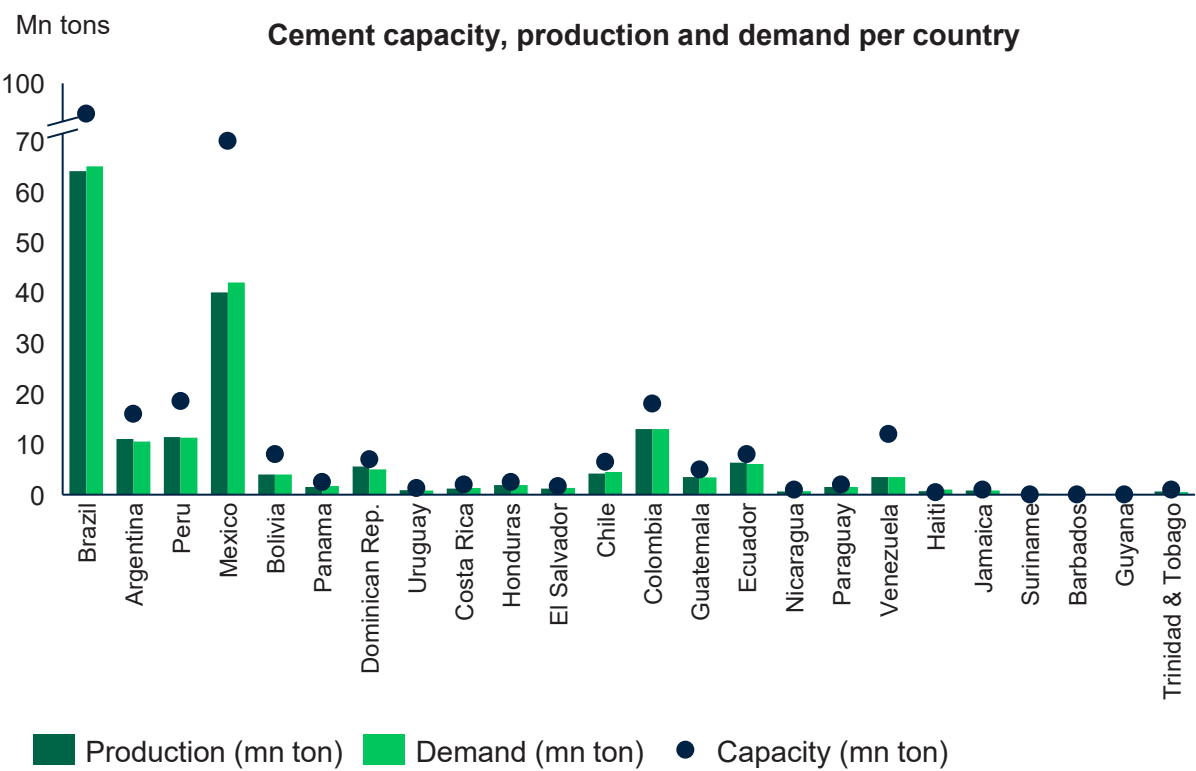
The demand for cement per capita generally follows a bell curve pattern, peaking during a country's high growth phase and then declining as it transitions to a more developed stage.



# REGIONAL OVERCAPACITY POCKETS AND LEGACY ASSETS CREATE DECARBONIZATION CHALLENGES FOR LATIN AMERICAN CEMENT PLAYERS

Cement players already invest in NPV positive decarbonization projects (e.g., energy efficiency improvement) as most of the “quick-wins” for emission reduction also enable cost reduction. Most sizeable reduction impact would come from CCUS solutions.

| Barriers                                                                                                                            | Description                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>1</div> <div>  <b>Financing</b> </div>        | <b>The region has underutilization issue</b> which impacts investment decisions. De-prioritization of decarbonization projects due to high CAPEX requirements and long payback periods. |
| <div>2</div> <div>  <b>Eco system</b> </div>       | <b>Limited local supply chain development</b> (e.g., lack of RDF infrastructure, difficulties to partner with renewable energy developers or green inputs suppliers)                    |
| <div>3</div> <div>  <b>Climate policies</b> </div> | <b>Absence of incentives or penalties</b> to push industrials to invest in decarbonization (incl. carbon tax, emissions reduction targets)                                              |
| <div>4</div> <div>  <b>Technology</b> </div>     | <b>Limited availability of technologies</b> (e.g., due to low level of maturity, industrial patent)                                                                                     |



# AGENDA

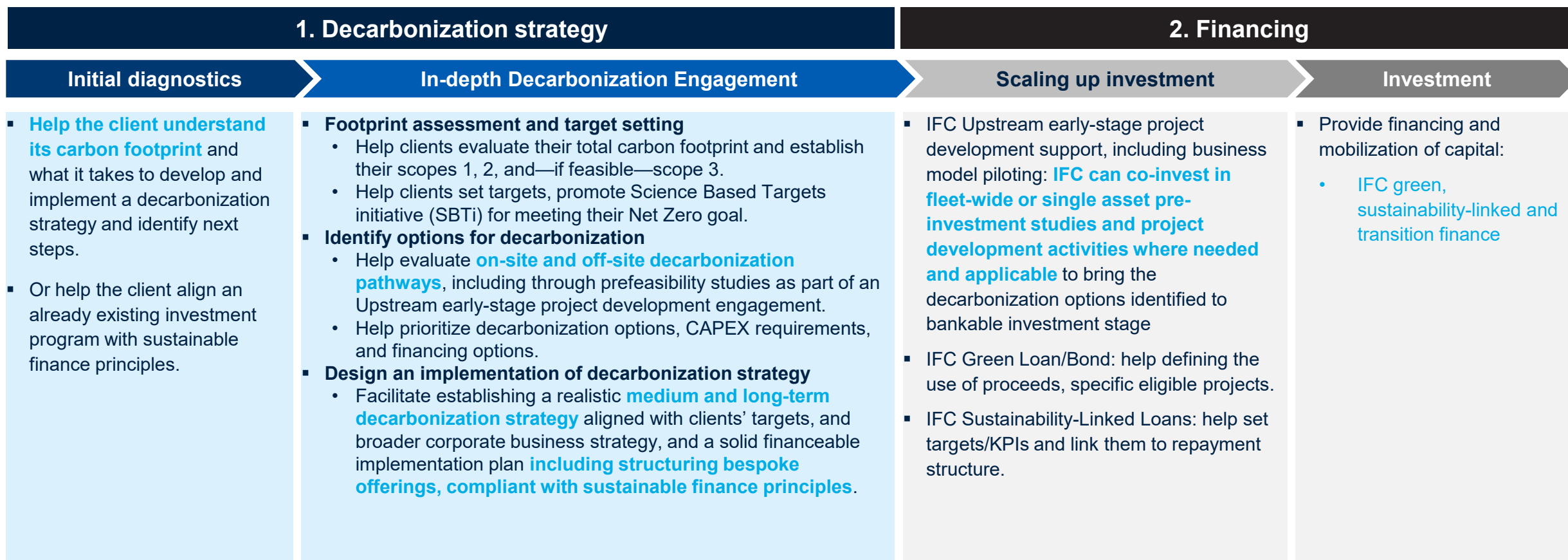
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# IFC DECARBONIZATION OFFERING

*IFC offers technical assistance and investments services according to the client's level of maturity and readiness for investment.*



# IFC HAS DEVELOPED A CEMENT DECARBONIZATION TOOL REVIEWED BY THE EUROPEAN CEMENT RESEARCH ACADEMY (ECRA)

## Decarbonizing Cement



Creating Markets, Creating Opportunities

### The Industry Context Moving to Net Zero

The cement industry is the source of over seven percent of GHG emissions. To reach net zero by 2050, it must decarbonize at a rate of 3 percent per year by 2030, the International Energy Agency estimates.

The first step of becoming a net zero cement producer requires taking a strategic stock of major commercially-proven decarbonization measures, drawing on advisory and investment support from a trusted global partner sharing a client's vision for sustainability, impact, and long-term success.

[Link to website](#)

## IFC Cement Decarbonization Tool

### Step One in Your Decarbonization Journey

Building on its \$7.1 billion cumulative cement industry investment portfolio, IFC has developed a tool to help cement companies in emerging markets to start planning the transition. The tool helps firms make an initial high-level assessment of major decarbonization options.

Rooted in IFC's global industry knowledge of over 50 years, the tool helps firms explore five decarbonization measures at the plant level:



Alternative  
fuels



Electric power  
supply mix



Blended  
cement



Waste-heat  
recovery



Select equipment  
configuration changes

The resulting analysis drives key strategic choices. It identifies anticipated greenhouse gas (GHG) reductions, high-level CAPEX needs, and estimated payback periods. This information then helps create an approximate Marginal Abatement Cost Curve. With these results, IFC's tool can become the basis for decarbonization strategies and new climate-friendly investment projects.



# KEY ATTRIBUTES OF SUSTAINABILITY PROJECTS IN CEMENT

Not exhaustive

| <b>Energy and Resource Efficiency</b><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Renewable Energy</b><br>                                                                                                                                                                                                                                                                                                                       | <b>Circularity</b><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Other Technologies / Approaches</b><br>                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>i. Invest in <b>best available technologies</b> (such as vertical roller mill, or pre-grinding)</li> <li>ii. <b>Plant upgrades</b> to replace old capacity</li> <li>iii. <b>Waste heat recovery and power co-generation</b> / utilizing flue gas</li> <li>iv. <b>Replace high carbon intensive fuels such as coal or pet coke</b> with transition and alternative fuels where feasible</li> <li>v. Use of <b>oxygen / oxyfuel</b></li> <li>vi. Digitalization and process controls</li> <li>vii. <b>Condensing excess steam</b> to capture both water and heat for re-use</li> <li>viii. <b>Optimum recovery internally with minimal discharge</b> where effluent must be sent to an external facility</li> <li>ix. Minimize use of grass; replace with other species that require less water and utilization of rain sensors</li> </ul> | <ul style="list-style-type: none"> <li>i. <b>Biogas or landfill gas</b></li> <li>ii. <b>On-site captive use of wind and/or solar</b> for electricity generation including investments in energy storage</li> <li>iii. <b>Indirect PPAs</b> to buy clean electricity</li> <li>iv. Use <b>refuse derived alternative fuels</b> (RDF) and <b>biomass</b></li> <li>v. Use <b>hydrogen as fuel</b></li> <li>vi. <b>Algae</b></li> </ul> | <ul style="list-style-type: none"> <li>i. <b>Concrete recycling</b></li> <li>ii. Use <b>by-products of other industries as raw materials</b> ( e.g steel slag, fly ash, bottom ash, silica fume)</li> <li>iii. <b>Zero liquid discharge</b> concept</li> <li>iv. Use of evaporation ponds discouraged as a last resort</li> <li>v. Implement <b>preventive maintenance systems to detect and repair water leaks plant-wide</b>, ensure automation is proper, control systems work*</li> <li>vi. <b>Recover water</b> from flue gases and/or when drying high moisture waste</li> <li>vii. Replace water cooling with <b>non-water cooling systems</b></li> <li>viii. Collect <b>rain water</b></li> <li>ix. Minimize use of grass; replace with other species that require less water and utilization of rain sensors</li> <li>x. Digitalization to provide better controls on resource efficiency</li> </ul> | <ul style="list-style-type: none"> <li>i. Increased use of <b>blended cement/ SCMs</b></li> <li>ii. <b>“Green” concrete, cementitious</b> or construction materials</li> <li>iii. <b>Green buildings</b> - buildings that are LEED, EDGE or equivalent Green Building certification;</li> <li>iv. <b>Carbon Capture, Utilization and Storage (CCUS)</b></li> <li>v. <b>Electrification of calcination</b></li> <li>vi. <b>Electrolysis</b></li> <li>vii. <b>Flash clay calcination ( LC3)</b></li> </ul> |

# FINANCING POSIBILITIES: GREEN LOANS/BONDS (1/3)

*IFC's Green Loans exclusively finance green projects aligned with its "Green Loan Principles."*

- **Eligible green projects:** projects included in the "Green Loan Principles," which means they are climate-related (mitigation and adaptation) according to the IFC's climate definitions, as well as related to biodiversity and pollution reduction.
- **Green Loan Principles:** conceptualized based on the Green Bond Principles, consist of four key components:
  1. Sole use of proceeds for eligible green projects;
  2. Project evaluation and selection process;
  3. Management of proceeds to ensure they are allocated to eligible green projects;
  4. Reporting on the use of proceeds and the expected impact of eligible green projects.

## IFC's Definitions and Metrics for Climate-Related Activities

IFC CLIMATE BUSINESS DEPARTMENT  
VERSION: 3.1  
UPDATED: APRIL 2017



# FINANCING POSIBILITIES: SUSTAINABILITY-LINKED LOANS (2/3)

*IFC's sustainability-linked loans provide green financing for companies looking for more flexibility in use of proceeds.*

## Key features

- Follows the **Sustainability Loan Principles**.
- General purpose loan linked to defined sustainability targets during tenor of IFC loan.
- **NOT based on use of proceeds**.
- IFC Performance Standards apply at a corporate level.
- **Borrower reports annually on progress using agreed KPIs** or external ratings approved by IFC.
- Structure may include incentives or penalties.

## Best for

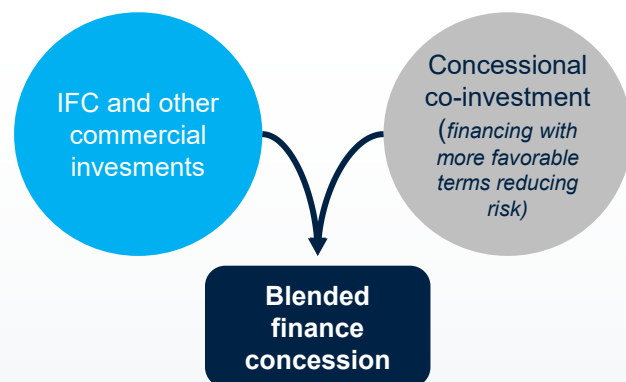
- **Companies with ambitious SDG targets looking for more flexibility in use of proceeds.**
- Companies with ambitious SDG targets—e.g., **gender inclusion, pollution, health—and seeking recognition.**

## Example: Sococim in Senegal

- **€210M loan to finance the construction of a high fuel-efficient kiln and equipment for a complete clinker line**, with a planned production capacity of 6.5k tons per day of clinker.
- The kiln will use **waste-derived alternatives** for up to 70% of fuel, reducing GHG emissions by 18%.
- The company will gradually increase the thermal substitution rate for kiln #3 and #4 from 28% to 70% by 2030.
- Project will help **reduce approximately 300k tons of CO<sub>2</sub>e per year.**

# FINANCING POSSIBILITIES: **BLENDED FINANCE** (3/3)

*Blended finance is a concessional financing package provided by IFC through development partners and commercial financing.*



## Blended finance at IFC

- Blended concessional finance **mixes funds from private investors with concessional funds from public and/or philanthropic sources, and commercial financing on IFC's own account.**
- IFC emphasizes its ability to measure results and impact.

## Example: Climate Investment Funds for Industrial Decarbonization (CIF)

- Strategic programming area under Clean Technology Fund
- Targets hardest-to-abate industrial sectors (e.g., cement, steel, aluminum, chemicals)
- Focuses on enabling conditions, infrastructure, innovative approaches, and first movers



## Example: the Canada-IFC Combined Climate Finance Program (BCFP)

- The program provides concessional finance (at below-market rates and/or long grace periods) for private sector-led projects around the world, with an increasing focus on the most vulnerable and least developed countries.
- The BCFP promotes gender-sensitive climate action, recognizing that climate change disproportionately affects women.



**IFC-Canada Blended Climate Finance Program**  
2019 Implementation Progress Report





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