Early Warning System

AFDB-P-NG-BG0-003

Nigeria – Indorama Fertilizer Project II - Additional Loan

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Quick Facts

Countries	Nigeria
Specific Location	Port Harcourt
Financial Institutions	African Development Bank (AFDB)
Status	Closed
Bank Risk Rating	U
Voting Date	2019-12-18
Borrower	Eleme Fertiliser and Chemicals Limited (IFL)
Sectors	Agriculture and Forestry, Industry and Trade, Mining
Investment Amount (USD)	$ 15.80 million

Project Description

This intervention relates to the Additional Loan of the Indorama Fertilizer Project II. Indorama Eleme Fertiliser and Chemicals Limited (IFL) is a registered legal entity in Nigeria and the owner of a world scale, lead technology urea fertilizer plant. The plant which began operation in May 2016 is located on Indorama Eleme Petrochemicals Limited (IPL) site in Port Harcourt, River State and produces 1.4 million MTPA of urea fertilizer. The project consists of the expansion of IFL's existing fertilizer complex in Port Harcourt, Nigeria from 1.4 to 2.8 million TPA by adding a new and identical train to the existing fertilizer plant. The new fertilizer plant (Line II) will consist of (i) Ammonia unit with a single train of 2,300 metric tons per day (MTPD); (ii) Urea unit with a single train of 4,000 MTPD granular urea; (iii) Urea granulation unit with a single train of 4,000 MTPD design capacity; (iv) Additional small urea granulation unit of 800 MTPD design capacity and (v) Inside boundary infrastructure, utilities and storage facilities. The African Development Bank participate to this additional loan as a senior lender with a long-term loan of up to USD 30m. This will represent less than 33% of the total project cost of USD 185m.

The main objective of the project is the construction and operation of a Greenfield 1.42 MTPA ammonia/urea fertilizer plant to be located in Port Harcourt, River State, Nigeria.

The project will benefit Nigerian farmers through increased availability of world class fertilizer at prices close to international markets (domestic premium is expected to decrease to USD 25 per ton over the project life compared to current levels of USD 85 per ton). The additional loan will help to create additional 1000 full-time jobs and 10 part-time jobs during the construction phase, which corresponds to 1006 full-time equivalent jobs (of which 75% are for locals). An additional 25 full-time jobs (of which 60% are for locals) are expected during the operation phase.

Investment Description

- African Development Bank (AFDB)

Contact Information

private-sector@afdb.org

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at https://www.afdb.org/en/independent-review-mechanism/.

Bank Documents

- ESIA Summary-Indorama Eleme Fertilizer II-NIGERIA [Original Source]
- NIGERIA INDORAMA ELEME FERTILIZER AND CHEMICALS Ltd FEED CONDITIONING UNIT P-NG-BG0-003 ESMP [Original Source]

Other Related Projects

- AFDB-P-NG-BG0-004 Nigeria - Indorama Fertilizer & Chemicals Limited - Line III