Early Warning System

EBRD-53334

NEPCO Northern Green Substation

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Quick Facts

Countries	Jordan
Specific Location	North-Eastern part of Jordan
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-10-09
Borrower	National Electric Power Company
Sectors	Energy, Infrastructure, Technical Cooperation
Investment Type(s)	Loan
Investment Amount (USD)	$ 45.00 million
Project Cost (USD)	$ 49.41 million

Project Description

According to the bank provided information, the project involves the provision of a sovereign guaranteed loan to the National Electric Power Company (NEPCO) to finance the construction of a 400kV high voltage transmission substation in the North-Eastern part of Jordan, which will help in improving the grid's capacity to absorb existing and new renewable energy projects.

The proceeds of the Bank's loan will be used by NEPCO to finance a 400kV substation to help (i) improve the absorption capacity of existing and planned renewable energy projects, (ii) increased dispatching flexibility, (iii) reinforce the North-Eastern high voltage electricity network; and (iv) facilitate network interconnection to neighbouring countries.

Technical assistance will be provided to the company for the purposes of:

1) Environmental and Social Due Diligence - an Environmental and Social Assessment of the Company and Project will be carried out by an external consultant with the aim of providing recommendations for environmental, health and safety, and social management of the Company, confirming the categorisation of the Project and agreeing on an ESAP.

2) Technical Due Diligence - The assignment aims to assess existing local electricity transmission system for integration of newly proposed substation and key technical interfaces for operability of the newly proposed substation as well as review transmission grid performance, Greenhouse Gas (GHG) emissions, permits & consents, proposed technology and operational requirements of the proposed substation.

3) Green Skills Training for Electrical Technicians - The assistance aims to support NEPCO's Electrical Training Centre through the development of a 'green skills' training program to enable NEPCO's Electrical Training Centre to offer a new technical training for target groups on use of renewable energy sources on the company's grid.

4) Policy Dialogue on Apprenticeship Scheme - The policy dialogue initiative will build on the previous engagements with NEPCO under the VISP - NEPCO: Liquidity facility (Op ID 52010) to support the design of a national apprenticeship framework that will include a regulatory framework to be presented to the Technical and Vocational Skills Development Commission (TVSDC).

5) Implementation of Best Practices on Equal Opportunities - The assistance will support NEPCO's management at all levels in the implementation of best practices on equal opportunities, including fair hiring, performance evaluations and job promotions.

6) FIDIC Consultant - the assistance includes the appointment of a FIDIC Engineer who will work with NEPCO to ensure that during the construction stage work is carried out in accordance with the quality required by the contract, within the stipulated time and at the correct price.

7) Energy and Mineral Resources Commission (EMRC) Capacity Building for Green Transition in Jordan - The assistance aims to support EMRC's mandate pertaining to electricity system efficiency, transparency, and decarbonisation; with an emphasis on the auditing of Distribution System Operator (DSO) and Independent Power Producers (IPP) licensees and overall investment planning in line with non-discriminatory and least-cost principles.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

Up to USD 45 million sovereign guaranteed loan to NEPCO. The Project is expected to be co-financed with an investment grant of EUR 4.4 million (USD 4.4 million equivalent) made available by other partners that will contribute towards the financing of the overall Project costs.

Private Actors Description

National Electric Power Company (NEPCO) guaranteed by the Hashemite Kingdom of Jordan.

NEPCO is a 100% state-owned central entity in the Jordanian electricity system acting as transmission system owner and operator, dispatcher, single wholesale buyer of electricity and single buyer of fuel and natural gas for conventional generation.

Contact Information

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Further contact information not provided at the time oif disclosure

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html