Early Warning System

EBRD-55287

Indorama - Ain Sokhna Fertiliser

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Quick Facts

Countries	Egypt
Specific Location	Ain Sokhna, Suez Canal Economic Zone
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	A
Borrower	Indorama Holdings B.V.
Sectors	Agriculture and Forestry, Construction, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 100.00 million
Loan Amount (USD)	$ 100.00 million
Project Cost (USD)	$ 174.00 million

Project Description

According to the EBRD, Indorama Holding B.V. is seeking EBRD's support in financing an integrated greenfield phosphatic fertilizer complex in the Suez Canal Economic Zone (SC Zone) in Ain Sokhna, Egypt. The SC Zone, an industrial area, has several established chemical industries which include fertilizer manufacturing and large-scale chemical storage.

The proposed project comprises three main plants: Phosphoric Acid plant (PAP), Sulfuric Acid plant (SAP) and Di-Ammonium Phosphate/ Nitrogen, Phosphorus, and Potassium, Mono-Ammonium Phosphate (DAP/NPK/MAP) plant, and associated infrastructure, including a phosphogypsum storage area, a 13 km pipeline for importing and transferring liquid ammonia from the Sokhna Port, two phosphoric acid storage tanks at Sokhna Port, and a 29 megawatt (MW) captive power plant that will operate on heat recovery from the sulfuric acid production process.

Once operational, the project is expected to produce approximately 600,000 tons per annum of phosphate-based fertilizer, and sulfuric and phosphoric acid as intermediate products. Required phosphate rock will be sourced from the existing Red Sea Mines operated by Misr Phosphate, with an estimated supply of 1.25 million MT per annum. Other raw materials, such as sulfur and ammonia will be sourced either locally or from the international market.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

As stated by the EBRD, the proposed EBRD investment comprises a debt package of up to US$174 million comprising of (i) EBRD A loan of up to US$100 million and (ii) mobilization of up to US$74 million in the form of B Loans. The balance of the required funding will come from parallel lenders and equity / shareholder loans.

Private Actors Description

As stated by the EBRD, Indorama Holdings B.V. is a subsidiary of the Indorama Corporation, a global industrial company with diverse businesses, including petrochemicals, fibers, and fertilizers.

As stated on the company's LinkedIn account, established in 2009. Phosphate Misr is 1 of 2 major companies that produces phosphate rocks in Egypt with production capacity of around 5 million tons a year from one of the biggest reserves in the world "Abou Tartot". On the other hand the company is on its way to sign new contract for the exploration and exploitation of new sites in the south of Egypt where it is expected to increase its production capacity of phosphate rocks in the near future.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
INDORAMA CORPORATION PTE. LTD.	Parent Company	Industry and Trade	owns	Indorama Holdings B.V.	Client	Industry and Trade
Indorama Holdings B.V.	Client	Industry and Trade	contracts with	Misr Phosphate	Contractor	Mining

Contact Information

Full ESIA documentation is available locally at:

1) Indorama Misr Fertilizers SAE, 3rd Floor, Arab Admin Dev Building, 2 El-Hegaz Street, Heliopolis, Cairo, Egypt
2) EBRD Residence Office in Cairo, EGID Building, First Floor Block 72, off Ninety Axis 5th Settlement, New Cairo, Cairo Egypt
3) EBRD website (www.ebrd.com)

Client website: https://indoramaegypt.com/

Enquiries can be sent to:

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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

Bank Documents

- ESAP (English)
- ESIA report (Arabic)
- ESIA report (English)
- ESIA supplementary package (Arabic)
- ESIA supplementary package (English)