Early Warning System

IDBI-14863-01

Matarani Solar Project

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Quick Facts

Countries	Peru
Specific Location	Arequipa, Mollendo, Chaparral; province of Islay; department of Arequipa
Financial Institutions	IDB Invest (IDBI)
Status	Active
Bank Risk Rating	B
Voting Date	2024-10-28
Borrower	GR Cortarrama S.A.C. (Yinson Renewables Peru Limited)
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 29.51 million
Loan Amount (USD)	$ 29.51 million
Project Cost (USD)	$ 89.40 million

Project Description

According to the ADB, the proposed financing involves a senior loan to GR Cortarrama S.A.C. to support the development, construction, and operation of a 96.75 MWp / 80 MWac solar photovoltaic power plant in the department of Arequipa, Peru. The IDB Invest loan will cover up to 33% of total project costs. The project's development objectives include promoting non-conventional renewable energy and reducing the country's reliance on hydroelectric and thermal energy generation.

The present operation consists of financial support to GR Cortarrama S.A.C, a subsidiary of Yinson Renewables Peru Limited ("Yinson", the "Client" or the "Company") for the development, construction, and operation of the Matarani Photovoltaic Solar Power Plant (MPSPP) and its related works, consisting of: i) a 96.75 MWp/80MW installed capacity photovoltaic solar power plant, which will evacuate the energy produced to the National Interconnected Electric System ("SEIN") through the existing Repartición – Mollendo 138 kV transmission line (L-1030); and ii) the Chaparral 22.9kV/138kV substation.

The Project is located on Route 30 or Interoceanic South, at an approximate distance of 54 km from Arequipa and 30 km from the coastal town of Mollendo, in the district of Mollendo, province of Islay, department of Arequipa, Peru. The MPSPP will generate around 260 GWh of renewable energy, which will meet the energy needs of approximately 62,000 Peruvian households and avoid the emission of more than 56,000 tons of CO2 per year.

The Project will have a 15-year Power Purchase Agreement with ENEL Peru, the largest power generator in the country. Grenergy Renovables will provide the engineering, procurement, and construction service and will be responsible for the operation and maintenance of the solar plant during the first two years, which the Client will continue thereafter. It is estimated that the Project will be operational in the third quarter of 2024.

Investment Description

- IDB Invest (IDBI)

Private Actors Description

As stated by the IDB Invest, GR Cortarrama S.A.C. is a subsidiary of Yinson Renewables Peru Limited.

As stated on the company's website, Yinson is a global energy infrastructure and technology company.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Actis LLP	Parent Company	Energy	owns	Niagara Energy S.A.C.	Subsidiary	Energy
Enel SpA	Parent Company	Energy	owns	ENEL Peru S.A.	Buyer	Energy
Niagara Energy S.A.C.	Buyer	Energy	contracts with	ENEL Peru S.A.	Subsidiary	Energy
Yinson Holdings Bhd	Parent Company	Energy	contracts with	ENEL Peru S.A.	Buyer	Energy
Yinson Holdings Bhd	Parent Company	Energy	owns	GR Cortarrama S.A.C.	Client	Energy

Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.iadb.org/en/access-information/information-request

ACCOUNTABILITY MECHANISM OF IDB / IDB INVEST

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IDB Invest)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IDB Invest is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).

Bank Documents

- MATARANI SOLAR PROJECT - ENVIRONMENTAL AND SOCIAL ACTION PLAN EN [Original Source]
- MATARANI SOLAR PROJECT - ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY EN [Original Source]

Media

- Grenergy vende sus activos eólicos y solares en Perú por 139 millones de euros
- Niagara Energy finalizes $1.36 billion takeover of Enel Peru unit