

Early Warning System

IFC-36094

Envision

Quick Facts

Countries	China
Specific Location	Jiangyin, Jiangsu
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2016-05-13
Borrower	Envision Energy Limited
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 50.00 million
Project Cost (USD)	$ 50.00 million

Project Description

Founded in 2007 in Jiangsu province of China, Envision Energy (“Envision” or the “company” - http://www.envisioncn.com/en/index.aspx) is a leading global provider for smart energy technologies and services including research, sales of smart turbines, and smart wind farm software and technological services. The company’s activities are focused on; (i) wind turbine manufacturing (including installation and commissioning); (ii) wind farm software development and technological services for both solar and wind; and (iii) project development.

Envision currently has more than 900 employees globally. In China, in addition to a R&D and operations base in Shanghai, Envision has two adjacent assembly facilities in Jiangyin city with a combined production capacity of more than 2,500 wind turbine sets per year, or 6GW/year. The recent completion of the second assembly line in Jiangyin and a new facility under development in Chengde (Huabei region, expected to be operational in July 2016) would support projected annual growth over the next 5 years and will have a total capacity of over 10 GW by 2017. In addition, Envision has a global innovation center in Silkeborg, Denmark, a battery-storage R&D center in Osaka, Japan; a cloud service center in Houston; and a new digital energy research center in Silicon Valley.

Envision’s manufacturing and engineering operations in Jiangyin are primarily involved in the assembly of nacelle and hubs. Envision does not manufacture the wind turbine components; rather these are procured from leading global suppliers. Towers and blades are sent directly to the site by respective suppliers from their respective manufacturing locations, for efficient and safe transportation of blades. Envision’s smart turbine operations include software development and real-time data acquisition and management from its operational control centers in Shanghai and Jiangyin – these activities resemble those of a high-tech information technology company. Envision also provides on-site commissioning and maintenance services for its turbines for the downstream wind farm operators.

To support its growth plan, the company has expressed interest in long term IFC financing via a loan of up $50 million to Envision Energy (Jiangsu) Ltd. which focuses on the assembly of nacelles and hubs, Envision Energy (Nanjing) Software Technology Ltd. and Envision Energy (Nanjing) Sales Services Ltd (collectively “borrower entities”).

The proceeds of the IFC investment shall be used for working capital financing of these entities such as advance payments to suppliers, direct payment to suppliers, cash collateral for performance and warranty bonds, as well as payments related to purchase of raw materials and inventory (the "project").

As such, the funds will not be used for development of new manufacturing facilities, nor in any manner for the direct development of wind farms and such utility scale projects.

Investment Description

- International Finance Corporation (IFC)

The company’s largest shareholder is Lei Zhang (holding more than 50%), and rests are senior management team and early founders, including one institutional investor holding less than 10%. Lei used to hold senior position at large investment bank in UK. Lei has established a strong management team from Cisco, Vestas, Mckinsey, Ford etc, and an advisory board with senior executives from Saudi Aramco, Allianz Capital, and UK Green Investment Bank.

Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/