Early Warning System

IFC-36877

FRV Solar Jordan

Early Warning System
FRV Solar Jordan

IFC-36877

Quick Facts

Countries	Jordan
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2016-05-13
Borrower	FRV Solar Holdings IX BV/Jordan
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 95.00 million
Project Cost (USD)	$ 72.00 million

Project Description

Fotowatio Renewable Ventures Solar Holdings IX (FRV or the "developer"), an indirect subsidiary of Fotowatio Renewable Ventures BV, has been granted an approval by the Government of Jordan (GoJ) through the Ministry of Energy and Mineral Resources (MEMR) to develop a 50 megawatt (MW) solar photovoltaic (PV) power plant- the Jordan One project (the "project"). The project is part of the GoJ's Renewable Energy Program, which aims to increase renewable energy contribution to 10 percent of the country's generation mix by 2020. The project cost is estimated at US$ 95 million and the proposed IFC investment is up to US$72 million comprising a US$24 million A-Loan, a concessional senior loan of up to the same amount from the IFC Canada Climate Change Program and mobilization of up to US$24 million.The project will be located in the Al-Mafraq governorate, which lies approximately 68 kilometers (km) north of the Jordanian capital, Amman. It occupies a 140-hectare plot located within the 2100-hectare King Hussein Bin Talal Development Area (KHBTDA) for which Mafraq Development Corporation (MDC) is the master developer as mandated by the GoJ. The MDC area was set up in 2007 to promote private sector investment. The KHBTDA is located in the Al-Badyeah Al-Shamalyah municipality of the Al-Mafraq governorate, and the land was previously managed by the army as part of the Mafraq military air force airport lands. The airport is located less than 1 km to the west of the project. The project will be one of three 50 MW solar projects within the designated solar development park at the KHBTDA.

All of the three sites are greenfield, and none have begun construction.The project also comprises the construction of a 5 km underground 33 kilovolt (kV) transmission line connecting the project to the National Electric Power Company (NEPCO) substation located within the MDC land. All output generated by the project will be sold to NEPCO under a 20-year Power Purchase Agreement (PPA) to be signed in January 2016. The transmission line right-of-way (ROW) will follow the route of the MDC roads and be installed by FRV.The project will consist of a total of approximately 205,000 PV panels with a nominal capacity of 50 MW AC and a peak capacity of 65 MW DC. Power will be sent to an inverter, which will then be fed into the utility power grid system through the NEPCO substation. The Transmission Connection Agreement (TCA) was signed with NEPCO in 2015. Project procurement and construction will take place between the third quarter of 2016 and the third quarter of 2017, and the plant will be operational for a 20-year period, with options to extend the lease after that date. There will be one Engineering, Procurement and Construction (EPC) contractor and Operations and Maintenance (O&M) provider (the same entity), which has not yet been selected. MDC will provide the project with access roads, a combined water and firefighting network, and wastewater services, which are under development.The project is located approximately 5.8 km from the city of Al-Mafraq, and approximately 8 km from the Syrian border. The nearest communities are the villages of Al-Zbaidiyah 1 km to the north, Al-Zatary 2.7 km to the southeast and Al-Ba'ej 3 km to the northeast. The area is flat, and the only topographic features are a number of minor ditches and depressions that collect rainwater during the winter rains, with any rains ultimately flowing to the wadi Al-Zaatari. Although vegetation is very sparse and not ideal for grazing or agriculture, some local herders do pass through the project area with their flocks; other than this short term transient use, the land is currently unused.The Zaatari Syrian refugee camp is located approximately 5.4 km southeast of the project; the camp population is currently estimated at 79,000 refugees.

Investment Description

- International Finance Corporation (IFC)

Contact Information

Company Contact Information

Shalabh Arora
Fotowatio Renewable Ventures
23rd Floor, Jumeirah Business Centre, Unit 2304, Custer G, PO Box 392632, Jumeirah Lakes Towers, Dubai, UAE,
Email: mailto:shalabh.arora@frv.com
Phone: +971 4 375 8554

Accountability Mechanism of the 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/

Bank Documents

- Environmental and Social Impact Assessment Draft Report