Early Warning System

IFC-37636

Delta Solar

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Quick Facts

Countries	Egypt
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	Delta Consortium
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 90.00 million
Project Cost (USD)	$ 120.00 million

Project Description

PROJECT DESCRIPTION

The project is a 50 MW photovoltaic (PV) plant being developed by the Canadian Solar Consortium comprising Nile Capital and Canadian Solar Energy Group (the sponsors). These sponsors will own the Project Company "Delta for Renewable Energy SAE" (Delta), and have selected Enerray as the EPC contractor and operations and maintenance (O&M) contractor. The total project cost is up to US$120 million with an IFC A loan of US$20 million and syndications of up to US$70 million, with the balance covered by equity.The project will be located within Egypt's New and Renewable Energy Agency (NREA)'s 37.5 km2 Benban 1.8 GW PV solar park comprising 39 separate PV plots, situated 12 km west of the nearest village (Benban), and 15 km west of the Nile River. It is close to the Luxor-Aswan road, 40 km northwest of Aswan city, in the Aswan Governorate of Upper Egypt. The project occupies a 0.98 km2 plot (SBN 19-3) in the Benban PV solar park. The Benban PV solar park is being constructed on open desert land that is owned by NREA. All of the 39 PV development sites are green-field, and none have begun construction. The area is mainly flat, with sand and gravel dunes, and with no notable natural vegetation and no human activities.The project will be connected to the nearest of four Egyptian Electricity Transmission Company (EETC) substations (substation 3 -SS3) on the eastern corner of the Benban PV solar park via an underground 22 kV transmission line which will be installed by EETC. The underground transmission line right-of-way will follow the route of internal Benban PV site roads. The SS3 substation will be connected via high voltage line to the 220 kV high voltage overhead line approximately 12 km east of the Benban PV site. All output generated by the project will be sold to EETC under a 25-year Power Purchase Agreement (PPA) to be signed by end of July 2016. Water for the project will be supplied by groundwater wells licensed by the Ministry of Water Resources and Irrigation (MWRI) and which will be constructed and owned by the El Motaheda company and Benban community. Water distribution in the Benban PV solar park will be managed by the Benban PV solar park's facilities management company (FMC).

As mentioned in the section on PS1 below, the proposed FMC will be hired to undertake or direct the management of construction for all the solar developers. This approach will assist in ensuring that ESHS risks are managed consistently and there is a well-managed and coordinated response to overarching cumulative issues such as occupational health and safety, transport / traffic management, security, community engagement and corporate social responsibility, and labor, worker welfare and accommodation, among others.The project will comprise a single axis tracking system of approximately 185,000 PV panels with a nominal capacity of 50 MW AC and a peak capacity of 58.867 MW DC. Power will be sent to an inverter and fed into the utility power grid system through the EETC substation. The Transmission Connection Agreement will be signed with EETC by end of July 2016. Project procurement and construction will take place between the second and third quarters of 2016, and the plant will be operational for a 25-year period, with options to extend the lease after that date. NREA through the FMC will provide the project with access roads, water and wastewater services, waste management services, logistics and security services, and worker accommodation, all of which will be developed once the FMC is appointed. The project is expected to employ an average of 150 workers (reaching a peak of 300 workers) during construction and will anticipate employing 8 permanently during the operational phase of the project (excluding security personnel and workers cleaning the PV Modules).

Investment Description

- International Finance Corporation (IFC)

Contact Information

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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/