Early Warning System

IFC-37642

Magma Square

Quick Facts

Countries	Iraq
Specific Location	Sulaymaniyah
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2018-06-15
Borrower	Malia Invest Holding S.A.L
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 9.00 million
Project Cost (USD)	$ 26.50 million

Project Description

Malia Invest S.A.L., a company incorporated in Beirut, Lebanon, is planning to develop a greenfield, multi-functional entertainment center of 16,685 sqm being constructed in Sulaymaniyah, Iraq.

The project, Magma Square, is a multi-functional shopping center in Sulaimaniya in the Kurdistan region of Iraq with cost estimated at US$26.6 million. The project is planned on 20,000 m2 of land having built up area of 31,200 m2 with total gross leasable area (GLA) of 17,500 m2 (87% of the total allocated land) and parking lot for 580 cars on 5,500 m2. Landscaping and public circulation covers 7,855 m2. Magma Square will feature multiple food and beverage concepts with reputable brand names on an international and regional scale as well as a selection of retail shops ranging from convenience items to medicine, printing, stationary, accessories, and technology related products. In addition to a movie theatre, the project includes a branded supermarket and a full fledge health and beauty centre. The Project's Sponsor is Malia Holding (Malia) - a well-diversified Lebanese conglomerate with operations in Lebanon and Iraq. Project Borrower and implementing entity is Malia Invest Holding (Malia Invest or Company) which is a fully owned subsidiary of Malia Holding. The project will be developed by CAPLINE and managed by MAGMALINE (a full-service facility and property management company) both subsidiaries of Malia Group. The project land owner, the American University of Iraq - Sulaimani (AUIS), have gone into a 25 years land occupancy/BOT contract to plan, construct and operate the project. The project site is well-located at the main gate of the American University and facing the main entrance of the Sulaymaniyah University (another large university). The project has a direct access to the main city highway road. The project is in final construction phase, with all civil, electrical and mechanical works completed, and soft opening is set for last quarter of 2018.

Investment Description

- International Finance Corporation (IFC)

Total Project cost is US$26.5 mn, where US$17.5 mn (66% of total Project cost) will be equity contribution by the Group. IFC is proposed to extend an A loan of up to US$9 mn to the Company to support the Project.

Private Actors Description

Malia Invest is a wholly owned company of Malia Holding. Malia Invest is active in the hospitality sector in Iraq, owning two hotels in Erbil, Iraq and the proposed Project in Sulaymaniyah, Iraq. Malia Holding, established in 1986 in Beirut, Lebanon, is a diversified conglomerate in Lebanon covering 8 business streams including Industries, FMCG Manufacturing and Distribution, Pharmaceuticals, Technology & Management Solutions, Fashion, Engineering & Contracting, and Hospitality and Real Estate encompassing 27 companies.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Malia Invest Holding S.A.L	Client	-

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/

Bank Documents

- Environmental & Social Review Summary