Early Warning System

# IFC-39728

## SP Energy Egypt S.A.E

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### Quick Facts

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| **Countries** | Egypt |
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Proposed |
| **Bank Risk Rating** | B |
| **Borrower** | SP ENERGY (EGYPT) SAE |
| **Sectors** | Energy |
| **Investment Amount (USD)** | $ 57.00 million |
| **Project Cost (USD)** | $ 76.00 million |

## Project Description

The project is a greenfield 50 MW photovoltaic (PV) plant being developed by SP Energy (Egypt) SAE (Project Company) which is a subsidiary of Shapoorji Pallonji Infrastructure Capita Co. PVT Limited (SP Infra/Sponsor). The Shapoorji Pallonji Group (SP Group) set up SPInfra in 1997 to develop and own infrastructure assets, under the PPP umbrella, primarily focused in the power, ports, resources and transportation sectors. Sterling and Wilson Pvt. Limited (in which the SP Group has a 51% stake) will act as the project Engineering, Procurement, and Construction (EPC) Contractor, and undertake the role of the Operations and Maintenance (O&M) Contractor for at least for the first 2 years. Sterling and Wilson Limited's EPC Division started working in the solar industry in 2010, and is now providing Solar EPC solution in India with installed capacity of more than 1GW. It has developed solar projects worldwide including a 90MW project in South Africa, and 28.6MW and 22.3MW projects in the Philippines. It has a pipeline of 1,300MW projects including 200 MW in Egypt.

The total project cost is up to US$76 million with an IFC A loan of US$ 19 million and syndications of up to US$ 38 million, and the balance covered by equity.The project will be located within Egypt's New and Renewable Energy Agency (NREA)'s 37.5 km2Benban 1.8 GW PV solar park comprising 39 separate PV plots, situated 12 km east 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 capacity is approximately 65 MWp (DC) for a 50 MW inverter nominal power (AC) and occupies a 1.02 km² plot (SBN (11-2)) in the central part of 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 greenfield, and none have begun construction. One project has started preliminary works and constructed some basic facilities on the site including office, dispensary, workers resting area, and installed underground septic tanks, none of which are yet operational. The area is mainly flat, with sand and gravel dunes, and with no notable natural vegetation and no human activities.

The project will be linked to substation 2 (SS2) on the eastern side of the Benban PV solar park, which is the nearest of the Egyptian Electricity Transmission Company (EETC)'s four high voltage substations, via an underground 22 kV transmission line installed by EETC. Substation 2 is located approximately 2.5 km east of the project, and cover an area of 15,000 m2. An additional 180 km double circuit 500 kV transmission line will be constructed north of the site, to evacuate the energy from the solar park. This 500 kV line is considered an Associated Facility (AF) to the solar park, and EETC will be putting out a tender for an ESIA of this transmission line in May 2017. All output generated by the project will be sold to EETC under a 25-year Power Purchase Agreement. The project's underground transmission line right-of-way will follow the route of the internal Benban PV solar park roads. The water necessary for the solar plants (predominantly to be used during construction) is expected to be sourced from wells around the site. NREA is taking responsibility for commissioning the relevant studies of groundwater in the area and are liaising directly with the Ministry of Water Resources and Irrigation. Subject to the results of these studies, additional infrastructure may be required for the extraction and distribution of water within the Benban PV solar park. A Facility Manager Contractor (FMC) will lead and coordinate the water supply in collaboration with the developers on the site.

## Investment Description

- International Finance Corporation (IFC)

## 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

- Project Information