Early Warning System

IFC-42187

Indorama Eleme Fertilizer and Chemicals Limited

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Quick Facts

Countries	Nigeria
Specific Location	Port Harcourt, Nigeria
Financial Institutions	International Finance Corporation (IFC)
Status	Completed
Bank Risk Rating	B
Voting Date	2019-11-27
Borrower	INDORAMA ELEME FERTILIZER AND CHEMICALS LTD
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 35.00 million

Project Description

IFC is considering an investment in IEFCL of up to US$35 million (“MM”) for its own account and up to US$115MM in parallel loans to be mobilized from commercial banks and other DFIs, for construction of a feed conditioning unit (“FCU”). The FCU is an add-on gas processing facility, with capacity of 160 MM standard cubic feet per day (“SCFD”). The FCU will recover carbon dioxide in the gas and shall also separate heavier byproducts. This will ensure the supply of gas having consistent composition to Line 2 and the heavier byproduct will help increase polymer production in Indorama Eleme Fertiliser and Chemicals Limited (IEFCL).

The Project will essentially replicate, at a larger size, the recently completed FCU unit, located next to the IFC-supported Eleme Fertilizer I urea plant (project #30967) and used for the recovery of heavier byproducts from feedstock supplied by a gas supplier.

The first FCU, which was completed in 2018, was installed as part of the construction of Eleme Fertilizer Line I and is operating satisfactorily. The heavier byproducts produced will help in increasing polymer volume and plant reliability. This FCU processed over 23 million MMBtu of gas through September 2018.

FCU II will be located next to the existing FCU; the two units will share several facilities including the control room and flare systems. The project is expected to be started up in April 2022, about a year after expected Eleme II startup.

The Indorama manufacturing complex where the project will be located is at Eleme, about 15 kilometers northeast of Port Harcourt, the capital of Rivers State, Nigeria (https://goo.gl/maps/pY29GKjEmwN2).

Six communities are located within a 5-km radius of the project. The communities directly neighboring the project are Akpajo (12,700 inhabitants), Aleto (15,500 inhabitants), Agbonchia (18,000 inhabitants), Njuru (7,700 inhabitants), Okerewa (6,600 inhabitants), and Wakaohu family of Elelenewo (1,800 inhabitants) totaling about 62,000 inhabitants. The members of these communities are familiar with industrial installations as they are in a municipality where a number of petrochemical industries are located.

Investment Description

- International Finance Corporation (IFC)

Private Actors Description

The Indorama Group is a long standing IFC client having its headquarters in Singapore. Since IFC's first investment, it has grown into a global business entity with over US$16.7 billion in revenues. Indorama is the world's largest producer of polyester and PET resins as well as one of the fastest growing global petrochemical producers with a presence in 35 countries. The group's existing fertilizer plant in Nigeria is the world largest single stream Urea Fertilizer plant with a capacity to produce 2,300 tons of Ammonia per day and 4,000 tons of granulated urea per day.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Indorama Eleme Fertilizer & Chemicals Ltd	Client	-

Contact Information

Company: Indorama Eleme Fertilizer & Chemicals Limited (IEFCL)

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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

Other Related Projects

- IFC-39112 JSC Indorama Kokand Fertilizers and Chemicals
- IFC-47723 Indorama Eleme Fertilizer-III
- IFC-52224 Indorama Eleme Fertilizer-IV