Early Warning System

IFC-45543

Nuru DRC

Early Warning System
Nuru DRC

IFC-45543

Quick Facts

Countries	Congo, Democratic Republic of
Specific Location	Kasongo, Goma, Kindu
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2023-04-28
Borrower	CONGO ENERGY SOLUTIONS LIMITED
Sectors	Energy, Infrastructure
Investment Type(s)	Equity
Investment Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 50.00 million

Project Description

As stated by the IFC, the proposed investment is up to US$5 million redeemable preferred equity investment in Congo Energy Solutions Limited (Nuru), a Mauritius holding company, to finance the development and construction of up to 15 MW of solar-hybrid mini-grid projects in Democratic Republic of Congo.
Nuru's near-term pipeline of mini-grid projects includes:
(a) 3.7 MW solar project in Goma (referred to as "Goma-II"): The project is being developed on a land plot of 4.5 hectares, which was owned by private individuals. The expected start dates of construction and operation are June 2023 and December 2023, respectively.
(b) 2 MW solar project in Kindu (referred to as "Kindu"): the project is being developed on a land plot of 7.0 hectares, which was owned by a non-governmental organization and a private individual. The expected start dates of construction and operation are June 2023 and June 2024, respectively.
(c) 8 MW solar project in Bunia (referred to as "Bunia"): the project is being developed on a land plot of 25 hectares, which was owned by a private company. The expected start dates of construction and operation are June 2023 and June 2024, respectively.
The mini-grids are disconnected from any public grid and will operate on an independent basis. These projects are expected to provide relatively more affordable and reliable electricity to 28,000 households and businesses in DRC that currently have expensive, unreliable or no access to electricity. Nuru is at different stages of discussions with three main classes of off-takers: (i) Telecom, (ii) water pumping stations and substations; and (iii) agri-processing and milling companies. Nuru is also in talks with smaller off takers – national banks, construction materials industries and water bottling factories.
The projects will be 100% owned by Nuru. Nuru will construct and operate the Project through Nuru SARL, its wholly-owned DRC-domiciled and focused subsidiary that currently owns and operates the 1.3 MW Goma mini-grid project mentioned above. The company is still in the process of appointing the engineering procurement and construction (EPC) contractor. The operation and maintenance for these projects will be managed by Nuru. The distribution network will be medium voltage - 11 kV line for Goma and 33 kV lines for Kindu and Bunia.

Early Warning System Project Analysis

According to the IFC, the project is expected to have limited environmental and social impacts which are expected to be site-specific and can be avoided or mitigated by adhering to recognized performance standards, procedures, guidelines and design.

Investment Description

- International Finance Corporation (IFC)

The IFC is considering an investment of US$5 million from its own account and US$5 million from Finland-IFC Blended Finance for Climate Program.

Private Actors Description

From the IFC's website:

CESL, a Mauritius holding company, was founded in August 2015 as Kivu Green Energy SARL and is headquartered in Goma. It is majority owned by three shareholders – its founder Jonathan Shaw, Energy Access Ventures, a Sub-Saharan Africa-focused early stage investment fund, and ElectriFi, an impact investment facility funded by the European Union. CESL is expected to have other new minority investors by the time of IFC’s investment.

Nuru SARL is CESL's subsidiary in the DRC.
Nuru was founded in August 2015 as Kivu Green Energy SARL. Nuru has its headquarters in Goma and an office in Beni, DRC, Nuru has developed, built, and commissioned three projects to date:
> 35 kW non-commercial solar hybrid pilot: Operational since November 2016, this is a solar photo-voltaic (PV)/lead-acid storage system that provides 24/7 electricity to the campus of non-profit Christian Bilingual University of Congo.
> 55kW commercial pilot solar hybrid: Operational since July 2017, this is the first commercial solar mini-grid project in DRC and provides power to Beni. The plant combines a 55kWp PV plant, 26kW/120kWh of storage capacity (with lead-acid battery) and 60kW of diesel genset. The system offers 10 hours of service while a diesel backup generator provides 4 hours of service.
> 1.3 MW Goma 1 solar mini-grid project: Operational since 2020, The project is the largest solar mini-grid in DRC and one of the largest in Africa. It is located south-west of Goma, DRC. Clients of this project include water pumping stations, telecom towers, gas stations and clustered milling stations. Nuru expects other small and medium enterprise (SME) and household clients.
Nuru also owns and operates its transmission network (from each plant) and its distribution network to customers. This typically includes 11 kV and 33 kV overhead lines.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	E3 Capital	Parent Company	Finance
-	-	-	-	ElectriFi	Investor	Energy
-	-	-	-	Energy Access Ventures	Investor	Energy
-	-	-	-	Nuru SARL	Subsidiary	Energy

Contact Information

General IFC Inquiries - IFC Communications:

Address: 2121 Pennsylvania Avenue, NW, Washington DC 20433
Telephone: 202-473-3800
Fax: 202-974-4384

Client - Congo Energy Solutions Limited:

Jonathan Shaw - Chief Executive Officer
Phone: +254 799 873036
Email: j.shaw@nuru.cd
Address: 25 Avenue du Lac, Kyeshero, Goma, Nord Kivu, RDC
Website: https://nuru.cd/

Addresses of each of the 3 sites:

- Goma 2 – Bulengo, Q / lac Vert, Cellule de Bulengo, Avenue de l'éruption, Commune de Goma, Ville Goma, Nord-Kivu, R.D. Congo;
- Kindu – Avenue Kaskito, Bloc Lwama, Quartier Lwama, Commune Kasuku, ville de Kindu, Province de Maniema, R.D. Congo;
- Bunia – Mont Bedu, village Kasongo, Groupement Bedo Ezekere, territoire de Djugu, province de l'Ituri, R.D Congo.

Address of the corporate office: 2nd Floor, The Axis, 26 Cybercity, 72201, Ebène, Mauritius

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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 Review Summary

Other Related Projects

- MIGA-14609 Nuru Solar-Hybrid Mini Grids