

 Early Warning System

IFC-46819

Abellon Equity



Quick Facts

Countries	India
Specific Location	Jamnagar, Ahmedabad, Rajkot, Vadodara
Financial Institutions	International Finance Corporation (IFC)
Status	Closed
Bank Risk Rating	B
Voting Date	2024-09-05
Borrower	Abellon Clean Energy Limited
Sectors	Energy, Infrastructure
Potential Rights Impacts	Healthy Environment, Labor & Livelihood, Right to Health
Investment Type(s)	Equity
Investment Amount (USD)	\$ 40.00 million
Project Cost (USD)	\$ 265.00 million



Project Description

As stated by the IFC, Abellon Waste Management Limited is a newly incorporated waste management and circularity company established in India. It will initially own and operate four waste-to-energy (WTE) plants (Jamnagar WTE 7.5 megawatt (MW), Ahmedabad WTE 14.9 MW, Rajkot WTE 14.9 MW and Vadodara WTE 14.9 MW), which will be transferred from Abellon Clean Energy Limited.

IFC investment will be up to US\$40 million in Indian Rupee (INR) equivalent in the form of Optionally Convertible Debentures (OCDs) in Abellon to be utilized for constructing the WTE projects.

IFC confirmed on 17th Feb, that the board didn't approve the financing for this project hence this investment has been cancelled.



Early Warning System Project Analysis

-The ESIA report does not comprehensively report on the apprehensions of the proposed WTE incineration plant on their livelihoods. For example, the ESIA report in Ahmedabad has relied on largely on secondary data on the issues of waste pickers without holding actual consultations with waste picker cooperatives or organizations.

-Despite adequate evidence on the negative impacts of waste-to-energy incineration in India and across the globe, the IFC has classified this project as “Category B” rather than “Category A” as it has significant adverse environmental and social risks that are diverse and irreversible.

-To circumvent the Government of India’s (GOI’s) environmental norms, the project proponents have deliberately chosen to keep the WTE project size at 14.9 MW instead of 15 MW, to escape Environmental Clearance (EC) mandated by the Environment Impact Assessment (EIA) rules 2006.



People Affected By This Project

The communities living near the Jamnagar WTE have raised several complaints regarding the foul odor emanating from the plant and its health impacts. They have resorted to road blockades and gheraoing of the factory as a mark of protest. It has been well documented by the local media and the Gujarat Pollution Control Board based on their inspection. They have also lodged complaints with the Municipality commissioner regarding this.

Abellon/Goodwatts WTE has been served with “show cause notice” based on the complaints of the residents near the plant because of the deposition of black soot on their homes, noise pollution, and foul odor on 15.12.2021. Other problems faced by the communities include eye irritation, headaches, and respiratory illness because of the severe air pollution from the plant.

The incinerator in Ahmedabad which has only been partially built is being constructed in Gyaspur village, on the outskirts of the city, where there is already another incinerator by Jindal Power operating nearby and there are many other polluting industries. Due to the pollution generated by the existing incinerators and other industries, communities residing here have already been suffering from severe health impacts with many reported cases of cancer. Construction of another WTE incinerator in such an area will bear cumulative health and environmental impacts.

Waste worker unions in Gujarat are also concerned about the economic displacement of informal waste pickers and recyclers as WTE incinerators directly impact their livelihood.



Investment Description

- International Finance Corporation (IFC)



Private Actors Description

As stated by the IFC, the Company is promoted by Claris Limited, which is owned by the Handa Family (Arjun Handa and Aditya Handa). They are second generation entrepreneurs who initially were involved in specialty pharmaceuticals. Claris expanded into renewable energy and waste management in 2008.

The Handa family also has interests in dairy, education and startup investing.

As stated by Bloomberg, Abellon CleanEnergy Limited provides energy solutions. The Company contributes to clean energy generation through bio-energy including solid and liquid bio-fuels, bio-power, and other forms of clean energy generation. Abellon CleanEnergy serves customers worldwide.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Claris Limited (India)	Parent Company	Industry and Trade	owns	Abellon Clean Energy Limited	Client	Energy



Contact Information

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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

- [Environment & Social Impact Assessment for 14.9MW Waste to Energy Plant at Ahmedabad, Gujarat](#)
- [Environment & Social Impact Assessment for 14.9MW Waste to Energy Plant at Rajkot, Gujarat](#)
- [Environment & Social Impact Assessment for 7.5MW Waste to Energy Plant at Jamnagar, Gujarat](#)
- [Environmental and Social Impact Assessment \(ESIA\) for 14.9 MW Waste to Energy Plant at Vadodara, Guj](#)
- [Environmental and Social Review Summary \(ESRS\)](#)

Campaign Documents

- [Collective Letter Signed by 174 CSOs and Activists to Withdraw Proposed Financing](#) [Original Source]
- [Complaint Letter to World Bank Board of Directors](#) [Original Source]
- [IFC Withdraws Investment for 4 WTE plants in Gujarat, India](#)

Media

- [Counterview- Stop funding Abellon's 'polluting' WTE plants proposed in Gujarat](#)
- [Packaging Insights-CSOs call on World Bank to cancel financing for Indian WTE incinerators](#)
- [The Wire-174 Civil Society Outfits Urge World Bank to Reject Loan for Harmful WTE Projects](#)
- [World Bank Withdraws \\$40 Million Funding for Waste-to-Energy Plants Amid Community Backlash](#)