Early Warning System

IFC-51085

Darway_DARES

Quick Facts

Countries	Nigeria
Specific Location	Cross River, Abia, Rivers, Imo, Lagos, and Ogun; Ebonyi, Kogi, Delta, Jigawa, and the FCT
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2025-11-14
Borrower	Darway Coast Nig Ltd.
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.00 million
Loan Amount (USD)	$ 20.00 million
Project Cost (USD)	$ 25.00 million

Project Description

As stated by the IFC, Darway Coast Nigeria Limited established in 2018 with offices in Abuja and Imo State is a renewable energy services company providing electricity to off-grid and underserved communities across Nigeria. Darway Coast's operations, which originated in the Niger Delta region and expanded northward, include 28 active mini-grids with a total installed capacity of 4.3 MW and providing electricity to over 11,000 customers.

IFC intends to support the World Bank (WB) financed Nigeria Distributed Access through Renewable Energy Scale-up ("WB Nigeria DARES") project through a proposed investment of a 4-year revolving facility. This investment aims to support up to 20 eligible mini-grid Renewable Service Companies (RESCOs) and Solar to Home Service (SHS) companies ("Clients") participating in WB Nigeria DARES by part-financing the construction and operationalization of isolated and/or interconnected mini-grids or sales of SHS in rural or remote communities. It builds on the achievements of the WB financed Nigeria Electrification Project (NEP), which has supported the establishment of 175 mini-grids and the sale of over 1.1 million Solar Home Systems, with more than 7.8 million Nigerians gaining access to electricity.

The proposed IFC investment consists of a 4-year, senior secured revolving loan of up to $25 million to Darway Coast Nigeria Limited. The loan will part-finance the Company's capital expenditure plan to construct and operate a total of 63 mini grid sites, The mini-grids sites will comprise i) installed photovoltaic (PV) solar power of between 150kWp – 8MW capacity; ii) Lithium battery storage of between 300 – 6,500KWh capacity; iii) diesel generator sets of between 60 – 4,500kVA capacity, and; iv) local low voltage power distribution network with transformers. The loan shall be secured entirely through an assignment of amounts due to Darway Coast under the WB financed Nigeria DARES project (disclosed on the WB Website - P179687).

Under the WB DARES, the company plans to add 81 sites (67 isolated mini-grids and 14 interconnected mini-grids) to its portfolio, increasing its total number of sites to 109 by 2027. This expansion aims to electrify over 1 million households and businesses by 2030. However, proceeds from the IFC finance will only go to develop 63 sites in Cross River, Abia, Rivers, Imo, Lagos, and Ogun, as well as expand into Ebonyi, Kogi, Delta, Jigawa, and the Federal Capital Territory. The mini-grid sites are mostly in rural communities, on small plots of land with sizes ranging from 0.15 hectares up to 10 hectares.Darway Coast has entered into exclusivity agreements with 45 out of the 63 communities targeted by the IFC financing. Land for the mini-grids is acquired in accordance with the procedures set out in the World Bank-approved Resettlement Policy Framework (RPF) developed under the DARES Platform, which serves as a core E&S instrument for projects implemented through this program.

Investment Description

- International Finance Corporation (IFC)

According to the IFC, the proposed financing will be a secured revolving debt facility to Darway Coast comprising: (i) an IFC A loan of up to US$10 million on its own account; and (ii) a subordinated concessional loan of up to US$10 million from IFC as implementing entity of the IDA20 and IDA21 Private Sector Window (PSW) Blended Finance Facility (BFF) and for its own account under IFC’s Concessional Capital Window (CCW)-IDA21. IFC will also mobilize US$5 million from NorFund as a parallel lender

Private Actors Description

As stated by the IFC, Darway Coast is a Nigerian renewable energy service provider, for both urban and rural areas. The Company began operations in 2018 and has implemented 20 mini-grid projects under the NEP program resulting in 32,445 connections.

The managing director and his brother, Augustine Chisumebi Ureh, own 90% of the company. The remaining 10% is owned by Constance Nwanozie, an independent shareholder and close relative, who supported the company early on with office space, vehicles, and community liaison services.

Name	Relationship	% ownership
Henry Ureh	Management	60%
Augustine Ureh	Director / Shareholder	30%
Constance Nwanozie	Director / Shareholder	10%

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
KLP Norfund Investments	Investor	Finance	invests in	Darway Coast Nigeria Limited	Client	Energy

Contact Information

General IFC Inquiries - IFC Communications:

Address: 2121 Pennsylvania Avenue, NW, Washington DC 20433
Telephone: +1 202-473-3800
Fax: +1 202-974-4384

Client - Darway Coast Nigeria Limited:

Henry Ureh - Managing Director
Phone: +234 803 388 9202
Email: henry.ureh@darwaycoast.com
Address: 2D Adebowale Close, Kudeti Estate, Adeniyi Jones, Ikeja, Lagos.
Website: www.darwaycoast.com

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

- WB-P179687 Nigeria Distributed Access to Renewable Energy Scale-up Project