Early Warning System

MIGA-13601

Sertum Energy Namibia (Pty) Ltd.

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Quick Facts

Countries	Namibia
Specific Location	Erongo
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	B
Voting Date	2017-05-19
Borrower	Investec Bank Limited
Sectors	Energy
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 15.00 million

Project Description

According to bank documents, MIGA has been requested to provide guarantees covering Investec Bank Limited non-shareholder loan investments of US$15 million into the Sertum solar project located in the region of Erongo in Namibia. Investec is seeking guarantees against the risk of transfer restriction, expropriation, breach of contract and war and civil disturbance for a tenor of 15 years.

The Project consists of the construction, ownership, operation and maintenance of a 5 MW solar energy generating facility. The electricity output will be sold to Namibia Power Corporation (Pty) Limited under a 25-years Power Purchase Agreement.

The Project was awarded through the Renewable Energy Feed in Tariff Program The program was commissioned in 2010 and approved in 2011 by the Minister of Minerals, Mining and Energy. The program is aimed at procuring generation of power from various renewable sources up to a maximum of 5 MW per business. The Project was among the 14 Independent Power Producers that signed a PPA among 27 shortlisted bidders. The Project is under construction with estimated commercial operation dates in July, 2017.

Sertum Energy Namibia Pty Ltd intends to develop the photovoltaic plant on the Areva managed Uranium mine site of Trekkopje, approximately 80 KM out of Swakopmund in the Erongo region of Western Namibia. The 15 hectares plot of land was leased from the Erongo Communal Lands Association. The project is located next to a sub-station therefore no transmission lines are required and an underground cable will be used to connect the site to the sub-station. The habitat is modified desert due to the mine site and land was unused prior to the project. The site is accessed through the mine site which is located approximately 10 km from the town of Arandis, just off the main highway between Walvis Bay and Windhoek. Enertronica has been appointed the EPC contractor and Protecton Engineering and Khomas Civil Construction have been hired as sub-contractors to conduct civil works, such as installing the solar panels and support facilities.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Investec Bank Limited	Investor	-
-	-	-	-	Namibia Power Corporation (Pty) Limited	Buyer	-

Contact Information

Contact information not provided at the time of disclosure

ACCOUNTABILITY MECHANISM OF 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 Action Plan, Trekkopje Solar Park, April 2017
- Environmental Impact Assessment Report (EIA) for the Establishment of the Trekkopje Solar Park, Dece