Early Warning System

MIGA-14952

Scatec Bond

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Quick Facts

Countries	Egypt
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Approved
Bank Risk Rating	B
Voting Date	2022-02-05
Borrower	Virtuo Finance SARL
Sectors	Energy
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 98.30 million

Project Description

According to bank provided information, the Multilateral Investment Guarantee Agency ("MIGA") a member of the World Bank Group (WBG), issued on May 18, 2022, a guarantee of US$98.3 million covering a tranche of bond issuance by Virtuo Finance, S.A.R.L, as part of the US$334.5 million refinancing plan for six photovoltaic (PV) power plants operating in Benban PV Solar Power Farm, namely Aswan PV Power SAE, Kom Ombo for Renewable Energy SAE, Daraw Solar Power SAE, Upper Egypt Solar Power SAE, Zafarana Solar Power SAE, and Red Sea Solar Power SAE, developed under the Round 2 Solar Feed-in-Tariff Program (FiT Program) in the Arab Republic of Egypt (the Projects). The Projects are currently owned by three sponsors, i.e. Scatec Solar ASA, Africa 50 and Norfund.

MIGA coverage was provided for a period of 19 years against the risks of Breach of Contract, Expropriation, Transfer Restriction and Inconvertibility, and War & Civil Disturbance. The bond tranche that is covered by MGA also benefits from a Liquidity Support Facility provided by the European Bank for Reconstruction and Development (EBRD).

The six project enterprises are currently operational and are located in the Benban Solar Park in the Aswan Governorate, in the Upper Egypt Region. Previously, MIGA issued guarantees amounting US$ 76.43 million on March 2020 to Scatec Solar ASA, and on June 2020 to KLP Norfund Investments AS, covering 90% of their equity investments in the Projects against the risks of Transfer Restriction and Inconvertibility for up to 15 years.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Virtuo Finance (Financial Intermediary)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Africa50	Client	Infrastructure
-	-	-	-	Norfund	Client	Finance
-	-	-	-	Scatec ASA	Client	Energy

Contact Information

Contact information not provided at the time of disclosure

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.miga.org/contact/access_to_information

You can also request general information about MIGA and for information on guarantees by emailing: migainquiry@worldbank.org

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 Action Plan [Original Source]
- Environmental and Social Impact Assessment for Aswan PV Power SAE 50 MW(AC) in Benban, Aswan (Enviro [Original Source]
- Environmental and Social Impact Assessment for Daraw Solar Power S.A.E 50 MW(AC) in Benban, Aswan (E [Original Source]
- Environmental and Social Impact Assessment for Kom Ombo Renewable Energy SAE 50 MW(AC) in Benban, As [Original Source]
- Environmental and Social Impact Assessment for Red Sea Solar Power S.A.E. 50 MW(AC) in Benban, Aswan [Original Source]
- Environmental and Social Impact Assessment for Upper Egypt Solar Power SAE 50 MW(AC) in Benban, Aswa [Original Source]
- per the ESAP [Original Source]
- Strategic Environmental and Social Assessment - Benban 1.8 GW photovoltaic solar park (NREA), Egypt [Original Source]

Other Related Projects

- DFC-2022-VIRTUOFINANCE Virtuo Finance SARL