Early Warning System

FMO-61925

Patrimonio Autonomo La Union

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Quick Facts

Countries	Colombia
Specific Location	Monteria, Department of Cordoba
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	A
Voting Date	2022-12-05
Borrower	Solarpack Corporación Tecnológica S.A.U.
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 10.12 million
Loan Amount (USD)	$ 10.12 million

Project Description

According to IFC, the proposed investment will be used for the construction of two PV solar plants (each a "Project") with a total installed capacity of 252 MWp, La Mata (108.3 MWp) located in the Municipality of La Gloria, Cesar and La Union (144.5 MWp) located in Monteria, Cordoba, including associated facilities like transmission lines and related civil works, including access roads, substations, or other works needed to supply the energy produced. Total project costs are approximately COP 785 billion (USD ~180mln). These projects will provide a significant increase of the renewable energy capacity of Colombia, a country in which renewable sources accounts only for 1% of the total energy generation.

This transaction fits well within FMO energy strategy of promoting clean energy, as the loan will be used for 100% green power generation projects. Also, our additionality comes from providing long term (local currency) financing with appropriate tenors for renewable energy projects, that are scarce in the country.

ENVIRONMENTAL AND SOCIAL CATEGORIZATION RATIONALE

FMO E&S category for this transaction is B+, reflecting contextual risks and risks related to supply chain, occupational and community health and safety, waste management, potential biodiversity and cultural heritage impacts. The following IFC Performance Standards are applicable for this investment: IFC 1-6 and 8. The following IFC PS is not considered applicable:
- IFC PS7: neither the Environmental and Social Assessment nor IDB's DD identified any people qualifying as Indigenous being impacted by the project.

Early Warning System Project Analysis

The FMO categorized the project E&S risks as 'B+'.

Investment Description

- Netherlands Development Finance Company (FMO)

Private Actors Description

Solarpack Corporacion Tecnologica S.A.U. ("Solarpack" or "the Client"), is a multinational IPP developer with presence in Europe, North American, Latin America, Asia and Africa. Its purpose is to accelerate the transition to clean and affordable energy for all. To this end, they generate 'products and services' in the field of clean energy. Solarpack was founded in 2005 as one of the first pure solar PV developers and independent power producers in Spain. Solarpack has developed about 1,151 MW and built 894 MW of PV plants, and operates 916 MW of installed capacity in 6 countries, 3 of which FMO has focus on (Peru, Colombia and India) .

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Solarpack Corporación Tecnológica S.A.U.	Client	-

Contact Information

No contact information provided at the time of disclosure

ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@fmo.nl

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW). A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: https://www.fmo.nl/independent-complaints-mechanism

Other Related Projects

- IDBI-14121-01 La Union