Early Warning System

IFC-38397

Great North Mall

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Quick Facts

Countries	Zambia
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2017-03-31
Borrower	WOODSIDE MALL ZAMBIA LIMITED
Sectors	Infrastructure
Investment Amount (USD)	$ 4.50 million

Project Description

The Great North Mall is a greenfield development for the construction of a one level covered mall in Lusaka, Zambia (the “Project” or “Mall”). The Project is being established by Novare Africa Property Fund II (NAPF II), in which Novare Fund Manager Limited (Mauritius) is the fund manager and Novare Equity Partners (PTY) Limited (South Africa) is the sub-advisor (jointly \"Novare\"). NAPF II focuses on commercial property development in Sub-Saharan Africa (SSA). The Fund is a follow-on to Novare’s first fund, Novare Africa Property Fund I (NAPF I), which raised US$81M predominantly from South African pension funds. Novare currently has four projects in Nigeria of which two are operating malls and two are under construction (a mall and an office complex with retail). In addition, Novare is developing its first shopping mall in Mozambique (under construction). NAPF II co-invested with NAPF I in three of the properties in Nigeria and is implementing the mall in Mozambique. NAPF II also has a pipeline of commercial property projects in Zambia and Mozambique. Each project, such as the Great North Mall, is owned by a special purpose vehicle (SPV), each with separate governance structures. The Zambian Project SPV that has been registered by the NAPF II to develop the Great North Mall (“GNM”) site is Woodside Mall Zambia Limited (“WMZL”).

The Project will be on the outskirts of Lusaka, adjacent to a large housing development on the eastern boundary (owned by the National Housing Authority, and not yet occupied), and a filling station (owned by the previous owner of the land). The Great North Road (which goes from Lusaka to Ndola) is on the west of the site while to the south, the road leads to Roma Township. The GNM gained approval from the Zambian authorities, and site clearing and construction began in late September 2016. The Project will be a one story enclosed commercial precinct, comprising retail outlets ranging between 70m and 850m in size, two major food and dry goods anchor retailers of 3,500m each, and a building supplies space of approximately 4,500m. A Food Court and Entertainment Zone will be central to the complex and serve as an added attraction to customers. Specialized shops apart from fashion and the full range of desirable required outlets will also have banking and service nodes. An extensive car park area with two entrances will be provided with full accessibility for disabled visitors and pedestrians. The parking area will incorporate four landscaped gardens. It is anticipated that the Project will be constructed in two phases, depending on tenant demand (the first phase constructed on Erven 21875A and B and 37503, with the second phase on the erf to the north of 21875A). The Phase 1 construction will result in a mall with a Gross Leasable Area (GLA) of 9,844m, a parking area and associated infrastructure.

The proposed investment is a financing package to Woodside Mall Zambia Limited (“WMZL”) of a US$4.5 million A loan for IFC's own account and a syndication of US$4.5 million from a parallel lender to support the US$27.0 million, 9,844 m GLA Great North Mall Project.

Investment Description

- International Finance Corporation (IFC)

Contact Information

ACCOUNTABILITY MECHANISM OF IFC

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

- Project Information