Early Warning System

MIGA-13755

Ejuva One and Ejuva Two Solar Energy Projects

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Quick Facts

Countries	Namibia
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Approved
Bank Risk Rating	B
Voting Date	2017-05-19
Borrower	International Lender to be Determined
Sectors	Energy
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 35.00 million

Project Description

On December 14, 2017 and April 4, 2018, MIGA signed contracts in which it agreed to issue guarantees of $2,370,738.60 covering equity investments and $14,738,835.80 covering non-shareholder loans from CIGENCO SA (Pty) Ltd ("CIGenCo") and Investec Bank Limited ("Investec"), respectively, for both the Ejuva One Solar Energy (Pty) Ltd and Ejuva Two Solar Energy (Pty) Ltd in Namibia. The guarantees are issued for a period of up to 15 years against the risks of Transfer Restriction, Expropriation, Breach of Contract, and War and Civil Disturbance.

The Projects consist of the construction, ownership, operation and maintenance of two 5 MW solar energy generating facilities. The electricity output of both Projects will be sold to Namibia Power Corporation Limited under 25-years Power Purchase Agreements ("PPA").

The Projects were awarded through the Renewable Energy Feed in Tariff Program, which was approved in 2010 and commissioned 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 project. The Projects were among the 14 independent power producers that signed a PPA among 27 shortlisted bidders. The Projects are at the initial stages of construction involving site demarcation with estimated commercial operation dates in July, 2017.

Ejuva One and Ejuva Two are located side by side on a 35-hectare site, about 1 km outside of the town of Gobabis, Omaheke Region, approximately, 220 km from Windhoek and are being constructed and managed as one project. The site location is across the road from the Gobabis substation therefore the connection to the grid is by means of short sections of overhead distribution lines. The habitat is modified by agriculture; however, immediately prior to the project acquiring the land it was unused. The site is accessed from a secondary road just off the main highway between Windhoek and Gobabis. The Projects are being constructed by an EPC contractor, Consolidated Power Projects ("CONCO") through its Namibian subsidiary, which is responsible for overall design and project management, and is assisted by specialist sub-contractors for the installation of the solar modules panels and other installation works, namely, PIA Solar SA (Pty) Limited and Alternative Energy Systems CC.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actors Description

CIGenCo and CONCO are subsidiaries of Consolidated Infrastructure Group Limited, a holding company listed on the Johannesburg Stock Exchange, which has a presence in approximately 25 countries on the African Continent.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Consolidated Infrastructure Group Limited	Parent Company	-
-	-	-	-	Consolidated Power Projects	Contractor	-

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 Ejuva 1 and 2, Namibia, April 19, 2017
- Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) for the Proposed Estab
- Fatal Flaw Analysis for the 2 x 5 MW Solar PV Plant at Gobabis, Omaheke Region, ERM, December 2016