Early Warning System

IFC-38489

Orazul Energia

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Quick Facts

Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	A
Borrower	ORAZUL ENERGIA PARTNERS LLC
Sectors	Energy, Hydropower
Investment Type(s)	Equity
Project Cost (USD)	$ 120.00 million

Project Description

The proposed investment is an equity participation in a newly created vehicle (“Orazul Energia Partners LLC ”) with I Squared Capital, to acquire the assets of Duke Energy International, an energy platform, located in Peru, Argentina, Chile, and Ecuador (“Portfolio”). The Portfolio consists of over 1,600 megawatts of operating hydroelectric and thermal power plants, transmission lines and gas-processing operations.

IFC Global Infrastructure Fund, LP, an investment fund managed by IFC Asset Management Company, LLC, a wholly owned subsidiary of IFC, will invest alongside IFC. IFC’s investment proceeds will be used to acquire and develop a portfolio of renewable power projects in Latin America. Through this investment, IFC will be supporting strategic partners which have demonstrated strong operational and management capacity in the power sector.

Investment Description

- International Finance Corporation (IFC)

Duke Energy Holdings Corporation (“Duke”) is a publicly-traded, diversified energy company headquartered in Charlotte, North Carolina, U.S., and is the largest North American utility company. Listed on the New York Stock Exchange (NYSE: DUK), Duke is a Fortune 250 company with a market capitalization of US$55.0 billion and an enterprise value of US$98.0 billion. Based on market capitalization, Duke is the world’s largest public utility and has an international presence in Latin America and the Middle East.

The project sponsor is I Squared Capital (ISQ) an independent global infrastructure investment manager focusing on energy, utilities, and transport in North America, Europe, and select high growth economies such as India, China and Latin America. The Firm has a presence in New York, Houston, London, New Delhi, Singapore and Hong Kong. To complement its diversified portfolio of global infrastructure assets, ISQ is forming Orazul Energia Partners LLC based in the Cayman Islands to acquire the non-Brazil DEI assets in Latin America.

The newly created holding company would be owned approximately 26% by IFC-GIF and 74% by ISQ.

The proposed transaction consists of an equity investment by IFC and IFC Global Infrastructure Fund, LP, an investment fund managed by IFC Asset Management Company, LLC (a wholly-owned subsidiary of IFC) for up to $100 million in a newly created special purpose vehicle. With this investment, IFC and IFC Global Infrastructure Fund will acquire up to 26 percent of the Orazul Energia Partners LLC

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/