Early Warning System

IFC-35348

Xenel Wind Jordan

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Quick Facts

Countries	Jordan
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	A
Voting Date	2017-08-04
Borrower	Abour Energy Company
Sectors	Energy

Project Description

PROJECT DESCRIPTION

IFC is considering a loan of up to $27.5 million to Abour Energy (the company) to support the construction, operation and maintenance of a 49.5 MW wind farm in Jordan's Tafila Governorate. Abour Energy is owned by Xenel International Limited, which is owned by the same shareholders who own the diversified Saudi Arabian conglomerate Xenel Industries Limited, an existing IFC investee. The project will be an independent power producer, generating around 131.5 GW/h (net) annually for sale to the National Electric Power Company (NEPCO) under a 20 year power purchase agreement. Financial close is expected in the first half of 2017 and construction is currently expected to start mid-2017 and to last for up to 18 months. It is likely that turbine supplier Vestas will become the Engineering, Procurement and Construction (EPC) and Operations and Maintenance (O&M) contractor for this project.The project consists of 15 Vestas V117 / 3.3 MW or 3.45 MW turbines with a tower hub height of 91.5 m and rotor diameter of 117 m, a 33kV / 132kV substation, a 0.25 - 0.5 km connection to a proposed new 132kV NEPCO transmission line, a buried internal 33 kV grid network and a network of site access roads. The new NEPCO transmission line to which the project will interconnect is expected to be around 18 km long and will link a 132 kV substation in the town of Tafila with a substation at Tafila wind farm south of the project site. This transmission line will be constructed by NEPCO to improve grid stability in the town of Tafila irrespective of whether the project is developed; as such it is not an associated facility under Performance Standard (PS) 1. It is estimated that the project will require a maximum of 200 workers at peak construction; no workers camp will be established, with workers being either sourced locally or accommodated in nearby hotels and guest houses.The project site is located at an altitude of roughly 1400 m, roughly 10 km from the eastern margin of the Rift Valley in Jordan's Sharah Mountains - also known as the Southern Uplands - roughly 140 km south of Amman, 8 km southeast of the town of Tafila and 4 km northeast of Umm Sarab, the closest village. Dana Biosphere Reserve is located around 11 km to the south west of the site and the Dana Important Bird Area (IBA), which encompasses the Reserve, is 7.5 km away. The site is 5 km north of Jordan Wind Power Company's (JWPC's) operating 117 MW Tafila wind power project (WPP, IFC project 31627, which can be reviewed here:http://ifcextapps.ifc.org/ifcext/spiwebsite1.nsf/78e3b305216fcdba85257a8b0075079d/1e151bc4ed5004b885257af7006f1 opendocument) and 3 km north east of a planned 49.5 MW Daehan project being developed by Korea Southern Power Company (KOSPO). Other WPPs are planned nearby by LAMSA (99 MW), Korea Electric Power Corporation (KEPCO, 90 MW), and Mass Holdings (100 MW). Aside from the operational Tafila WPP, it is unclear at this point how many of these projects will eventually be developed.The project area is hilly and rocky, with little vegetation and scarce stony soil cover. There are no permanent dwellings or other structures within a kilometer of any turbine location, although several temporary agricultural shelters are dotted around the site and wheat is grown seasonally on certain parcels. The nearest receptors include an agricultural research station more than 1 km away and a prison located 2-3 km away. The company has signed 22 year lease agreements with the owners of 15 land parcels to date and plans to lease a further 7 parcels once the location of ancillary infrastructure has been finalized. Land is being leased on a voluntary basis, i.e. without the possibility of expropriation. None of the landowners reside on site and only a few actually use the affected parcels. According to the ESIA report and discussions with landowners, although semi-nomadic Bedouin use / rent parts of the site occasionally for seasonal grazing, they do not establish seasonal tent settlements there.

Investment Description

- International Finance Corporation (IFC)

Contact Information

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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

- 2016.12.20 - Stakeholder Engagement Plan.pdf
- 2016.12.20 -AbourEnergyESIA-Report-pdf-Final.pdf
- CEA Report 1-5-17 web.pdf
- Updated ESMMP December 2016.pdf