Early Warning System

IDBI-12468-01

Los Portales

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Quick Facts

Countries	Peru
Financial Institutions	IDB Invest (IDBI)
Status	Proposed
Bank Risk Rating	B
Voting Date	2019-10-10
Borrower	Los Portales, S.A.
Sectors	Construction
Potential Rights Impacts	Housing & Property
Investment Type(s)	Loan
Investment Amount (USD)	$ 40.00 million
Project Cost (USD)	$ 40.00 million

Project Description

The project involves a Senior Loan for US$40 million with a ten-year term intended to finance part of the plan to purchase new land for Los Portales to be used in urban development and social housing projects in eight Peruvian cities. It is estimated that 19 projects will be developed in eight cities in Peru, which will benefit from access to first-time buyer housing for about 12,000 families in the socioeconomic sectors B-, C, and D.

Early Warning System Project Analysis

Los Portales S.A. ("LP" or "the Company") is a company founded in 1996 and active in the housing and hotel business in Peru. LP's operations are primarily based on real estate activity and it is a leader in the urban development business market, operating in 18 cities and 13 provinces in Peru.

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People Affected By This Project

Information on social and environmental impacts and risks for the project are not provided. The disclosed information relates primarily to the company's Integrated Management Policy & Management System and procedures, covering risk prevention, environmental preservation, and development of socially responsible behavior.

Nevertheless, it is stated that "urban development projects involve moving earth for improved access to the project"; “no indigenous peoples are affected”; “there are no effects on cultural heritage”, and “there is no displacement of people or economic activities”.

It is informed that the Environmental and Social Action Plan(ESAP) is attached, but it is not.

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Private Actors Description

In operation since 1996, Los Portales S.A. is a Peruvian company with the following core business lines: (i) hospitality services, including the operation of five 3- to 5-star hotels catering to corporate and executive travelers (ii) real estate services, focusing on real property sales through urban land development and low-cost housing projects; and (iii) parking facilities services, including the operation, utilization, and management of its own such facilities via franchise or lease.

Contact Information

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