

Early Warning System

IDBI-13253-01

Megalabs

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Quick Facts

Financial Institutions	IDB Invest (IDBI)
Status	Proposed
Bank Risk Rating	B
Voting Date	2022-10-11
Borrower	Mega Pharma Holding Uruguay S.A.
Sectors	Education and Health
Investment Type(s)	Loan
Investment Amount (USD)	$ 70.00 million

Project Description

The use of proceeds of the transaction will be for regional use, and will be deployed to 14 projects across eight countries in the region. The investment plan includes investments to implement and support pharmaceutical manufacturing best practices, the construction of a new antibiotics plant, and the construction of distribution and logistics centers, among others. The transaction will be structured as a senior loan with a tenor of 10 years, including a two-year grace period on the principal. The transaction will also involve technical assistance on gender, diversity, and inclusion, and corporate governance and environmental and social action plans.

The majority of the projects are related to supporting and implementing continuous improvements in pharmaceutical manufacturing processes in the region: (i) Good Laboratory Practices (GLP); and (ii) Good Manufacturing Practices (GMP), which are necessary to comply with local and international legislation (for exports). These practices have positive effects for the majority of Grupo Megalabs' processes and activities, including manufacturing, logistics, storage, quality control, and safety processes, among others. The impacts of this development include: (i) helping to expand the added value chain of the industry; (ii) promoting innovation through the development of new products; (iii) increasing exports; and (iv) contributing to job creation.

Grupo Megalabs ("Megalabs") is a conglomerate of companies in the pharmaceutical sector specialized in the production and distribution of a wide range of medications. Megalabs has a diversified product portfolio, and operates in both the manufacturing and distribution segments across 18 countries in Latin America and the Caribbean. Grupo Megalabs employs over 7,300 people in the region.

Investment Description

- IDB Invest (IDBI)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Mega Pharma Holding Uruguay S.A.	Client	Education and Health

Contact Information

EMAIL: requestinformation@idbinvest.org

PHONE: +1(202)-566-4566

ADDRESS: 1350 New York Ave NW, Washington, DC 20005

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.iadb.org/en/access-information/information-request

ACCOUNTABILITY MECHANISM OF IDB / IDB INVEST

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IDB Invest)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IDB Invest is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).

Bank Documents

- MEGALABS - ENVIRONMENTAL AND SOCIAL ACTION PLAN (ESAP) [Original Source]
- MEGALABS - ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY (ESRS) [Original Source]