

 Early Warning System

IFC-48662

Brilla Social Bond



Quick Facts

Countries	Colombia
Specific Location	Barranquilla
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	C
Voting Date	2024-08-08
Borrower	PROMIGAS SA ESP
Sectors	Energy, Mining
Investment Type(s)	Fund
Investment Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 200.00 million



Project Description

According to the IFC, the proposed investment consists of the issuance of an up to 10-year social bond (the “Social Bond”) for up to US\$200 million in COP equivalent (eq. to c.COP800,000 million) by Promigas, with two majority-owned subsidiaries, Surtigas S.A. E.S.P. (“Surtigas”) and Gases de Occidente S.A. E.S.P. (“GdO”), as co-issuers (jointly with Promigas, the “Issuers”). The funds raised from the Social Bond will be used to support Brilla, the non-banking financing division of Promigas that provides consumer loans to the Issuers clients. These loans are facilitated through the gas distribution companies, including Surtigas and GdO. The Social Bond will be issued in Colombia’s Segundo Mercado.



Early Warning System Project Analysis

According to the IFC, the Project entails the issuance of a social bond by Promigas (the Company) to support Brilla's consumer credit portfolio targeting Promigas' clients in Colombia and has been classified as category FI-3 according to the IFC Sustainability Framework



Investment Description

- International Finance Corporation (IFC)

According to the IFC, the Project cost is estimated to be up to US\$200 million equivalent in COP (c.COP 800,000 million). IFC intends to subscribe US\$100 million in the Social Bond and mobilize other investors that subscribe the remaining US\$100 million.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Gases de Occidente S.A. E.S.P](#) (Subsidiary) **is owned by** [Promigas](#) (Financial Intermediary)
- [Surtigas S.A. E.S.P](#). (Subsidiary) **is owned by** [Promigas](#) (Financial Intermediary)



Private Actors Description

According to the IFC, Promigas S.A. E.S.P. (“Promigas” or the “Company”) is a Colombian integrated gas utility company founded in 1974 with operations in Colombia and Peru in the regulated transportation and distribution segments. Promigas also has presence in the Liquefied Natural Gas regasification, power distribution, renewable energy solutions, and non-banking financing businesses. The Company is mainly owned by Corporación Financiera Colombiana S.A. (“Corficolombiana”), part of Grupo Aval, which holds 45.5% of the shares through direct and indirect investments (through CFC Gas Holding S.A.S), and Grupo Energía de Bogotá S.A. E.S.P (“GEB”), the energy holding company of the municipality of Bogotá, with a 15.2% shareholding. The Company is listed on Colombia’s Stock Exchange.

GdO is a utility company dedicated to the distribution and commercialization of natural gas. Its footprint includes 282 towns in the Valle del Cauca and Cauca departments in Colombia. Promigas holds a majority stake of 94.4% in the company, followed by the Empresas Municipales de Cali (Emcali), a public entity of the municipality of Cali, with a 5.5% stake.

Surtigas is a utility company dedicated to the distribution and commercialization of natural gas. Its footprint includes 225 towns in the Bolivar, Sucre, Córdoba, and Antioquia departments in Colombia. Promigas holds a majority stake of 99.9% in the company.



Contact Information

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<https://www.promigas.com/Paginas/default.aspx>

ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/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>



Campaign Documents

- [Business and Human Rights Resource Center: Promigas](#)