

 Early Warning System

MIGA-00007

Banco do Brazil Trade Finance Guarantee Program



### Quick Facts

Countries	Brazil
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	C
Voting Date	2025-04-30
Borrower	Banco Bilbao Vizcaya Argentaria, S.A. (BBVA), HSBC Bank USA, N.A, Caixa Geral de Depositos
Sectors	Agriculture and Forestry, Energy, Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 700.00 million



## Project Description

As stated on the project disclosure page, MIGA is proposing a Trade Finance Guarantee (TFG) program for Banco do Brasil, under which it would provide up to US\$700 million in commitments over a three-year period to support trade-related transactions in Brazil. The TFGs would mitigate the risk of non-payment by Banco do Brasil and apply to multiple loan facilities with various lenders, optimizing the bank's funding strategy. Disbursements under these facilities would have a tenor of up to one year, with MIGA's maximum exposure at any given time capped at US\$700 million.

The short-term financing supported by the Program would seek to support (i) trade financing for Micro, Small and Medium - sized Enterprises (MSMEs), providing financing such as pre-export loans; and (ii) financing of production, purchase of equipment and inputs related to renewable energy, such as biofuels, biomass energy production, solar power, or wind power, included but not limited to the agricultural sector.

The first of these MIGA-covered facilities under this Program would be for up to \$400 million in loans supporting trade-related activities. Guarantee holders would include Banco Bilbao Vizcaya Argentaria, S.A, HSBC Bank USA, N.A, Caixa Geral de Depositos.

Trade financing is essential to the economic health of developing countries as it contributes to their export competitiveness, employment, and growth. The Program will allow Banco do Brasil ('BdB') to establish partnerships with various international banks, which will result in increased access to trade finance for MSMEs in Brazil. By supporting MSMEs, the Program will be helping an underserved segment of the population which is key to economic development in the country but faces financing constraints. In addition, the Program will support sustainable production, contributing to climate change mitigation.



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## Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

## 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.

- [Banco Bilbao Vizcaya Argentaria SA \(BBVA\)](#) (Financial Intermediary)
- [CAIXA GERAL DE DEPOSITOS SA](#) (Financial Intermediary)
- [HSBC Bank USA, National Association \(NA\)](#) (Financial Intermediary)



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### Private Actors Description

As stated by Bloomberg, Banco Bilbao Vizcaya Argentaria, S.A. attracts deposits and offers retail, wholesale, and investment banking services. The Bank offers consumer and mortgage loans, private banking, asset management, insurance, mutual funds, and securities brokerage services. Banco Bilbao Vizcaya Argentaria operates in Europe, Latin America, United States, China, and Turkey.

HSBC Bank USA, National Association provides banking services. The Bank offers personal banking, wealth management, loans, savings accounts, leasing, retirement plans, investment management, and insurance services. HSBC Bank USA serves customers worldwide.

As stated on the company's website, Caixa Geral de Depósitos (CGD) is a major player in the Portuguese financial market. CGD, formed as a public limited liability company by the Portuguese state, in 1876, is one of Portugal's leading institutions and fully owned by Republic of Portugal.



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## **Contact Information**

*No project contacts provided at the time of disclosure.*

## **ACCESS TO INFORMATION**

You can submit a request for information disclosure at: [https://www.miga.org/contact/access\\_to\\_information](https://www.miga.org/contact/access_to_information)

You can also request general information about MIGA and for information on guarantees by emailing:  
[migainquiry@worldbank.org](mailto:migainquiry@worldbank.org)

## **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](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>