

 Early Warning System

MIGA-14694

The Bahamas COVID-19 Response



Quick Facts

Countries	Bahamas
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Approved
Bank Risk Rating	B
Voting Date	2021-03-22
Borrower	Banco Santander,S.A.
Sectors	Agriculture and Forestry, Education and Health, Industry and Trade
Ring Fence	Small & Medium Enterprises, Women
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 128.15 million



Project Description

On April 28, 2021 MIGA signed a contract of guarantee for US\$ 128.15 million, effective, April 28, 2021, with Banco Santander SA of Spain, for NHSFO coverage of its non-shareholder loan to the Ministry of Finance of the Government of the Commonwealth of the Bahamas. Proceeds of the loan facility will support the Public Hospitals Authority (PHA) and the Small Business Development Center (SBDC), as part of the country's COVID-19 response program, and will be used to modernize the public health system and support MSMEs at a critical juncture. Approximately US\$89 million of the facility will be allocated to the PHA to upgrade two public hospitals, procure medical equipment and fund its project management costs, and US\$20 million will be granted to the SBDC for loan guarantees to MSMEs in an effort to preserve jobs, improve productivity, stimulate economic activity, and promote resiliency. While not explicitly gender focused, women-owned MSMEs will be the main beneficiaries due to their prevalence in SBDC's portfolio. The proposed guarantees will form part of MIGA's COVID-19 Response Program, Pillars 1 and 2a.

ENVIRONMENTAL AND SOCIAL CATEGORIZATION

THE PROJECT IS A CATEGORY B UNDER MIGA'S POLICY ON ENVIRONMENTAL AND SOCIAL SUSTAINABILITY (2013).[CLICK HERETO VIEW THE ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY.](#)

DEVELOPMENTAL IMPACT

The financing will be primarily used to create a dedicated Infectious Disease Unit, renovate and expand PMH's Emergency Department and Imaging & Diagnostic Unit, increase medical facilities and bed capacity, including through the construction of a new multi-story tower facility, and purchase diagnostic medical equipment. In the context of SRC, the financing will enable the renovation and re-commissioning of wards and patient care environments to ensure appropriate spacing consistent with COVID-19 guidelines (among other things), a dedicated space for the treatment and management of COVID-19 cases, and a dedicated admission space for acute psychiatric patients. As a result of the improvements in existing healthcare facilities and creation of new facilities, bed capacity at PMH and SRC will increase, allowing for improved patient access, while strengthening the chronically strained public health system, which is now facing the additional strain from COVID-19. This component of the Project would be aligned with Pillar One of MIGA's COVID-19 fast-track facility.



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 Santander, S.A.](#) (Financial Intermediary)



Contact Information

ACCESS TO INFORMATION

You can submit a request for information disclosure at: 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

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>



Bank Documents

- [Environmental and Social Action Plan](#) [Original Source]
- [World Bank's Interim Note: COVID-19 Considerations in Construction/Civil Works Projects](#) [Original Source]