Early Warning System

MIGA-14708

Bogota COVID-19 Pillar 1

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Quick Facts

Countries	Colombia
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Approved
Bank Risk Rating	B
Voting Date	2021-06-19
Borrower	Banco Bilbao Vizcaya Argentaria, S.A.(BBVA)
Sectors	Education and Health, Finance, Humanitarian Response
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 350.00 million

Project Description

PROJECT DESCRIPTION:

ON NOVEMBER 22, 2021, THE MULTILATERAL INVESTMENT GUARANTEE AGENCY (MIGA), A MEMBER OF THE WORLD BANK GROUP, ISSUED A GUARANTEE FOR COP 1.37 TRILLION (~US$350 MILLION) TO BANCO BILBAO VIZCAYA ARGENTARIA, S.A. OF SPAIN FOR A PERIOD OF UP TO 7 YEARS COVERING THE RISK OF NON-HONORING OF FINANCIAL OBLIGATIONS OF A SUB-SOVEREIGN ENTITY FOR LOANS OF UP TO COP 1 TRILLION TO BOGOTA, DISTRITO CAPITAL (BOGOTA OR THE DISTRICT), AS PART OF THE PILLAR 1 OFMIGA'S COVID-19 RESPONSE PROGRAM.

The COVID-19 pandemic has had a profound impact in Bogota, Distrito Capital, the capital and largest city in Colombia, placing significant stress on Bogota's healthcare system and budget.MIGA's guarantee allows the Government of Bogota to secure financing in local currency from an international lender at favorable terms, helping the city diversify its funding sources and provide dedicated resources to respond to the pandemic and strengthen the quality of healthcare infrastructure and services for the longer term. This is MIGA's first non-honoring guarantee denominated in Colombian pesos.

The MIGA-guaranteed loan facility will finance Bogota's COVID-19 emergency response capacity and investments to improve the quality of healthcare infrastructure and services in Bogota, primarily by upgrading, equipping, and expanding existing healthcare facilities. Specific Project components include investments to improve or expand around 40 public hospitals, labs, and clinics, the purchase of new ambulances, investments in Bogota's Medical Emergency System, the purchase of COVID-19 test kits and laboratory equipment, and the procurement of personal protective equipment as well as other equipment to mitigate the spread and impact of COVID-19.

ENVIRONMENTAL CATEGORIZATION:THE PROJECT IS A CATEGORY B UNDERMIGA'S POLICY ON ENVIRONMENTAL AND SOCIAL SUSTAINABILITY. CLICKHEREFOR THE PROJECT'S ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY.

DEVELOPMENT IMPACT:

The COVID-19 pandemic has stressed Bogota's healthcare system, highlighting the need to strengthen the city's capacity to respond to health emergencies and improve the overall quality of healthcare services.

The Project has two overarching objectives: to (i) increase the quality of healthcare services through infrastructure and equipment upgrades on of public healthcare centers serving 3.2 million people (44% of Bogota's population) and the implementation of a new medical emergency information system; and (ii) improve COVID-19 emergency response through increasing by 30% the capacity and ability to process COVID-19 tests by the public health network of Bogota and the purchase of new ambulances.

The Project is aligned with theWBG Fast Track COVID-19 Facilityto assist member countries in addressing the current global pandemic and its impact and with theWorld Bank COVID-19 Crisis Response Development Policy Financing, approved in June 2020, under its objective of supporting the capacity of the health system in the country. The Project is also aligned with Colombia's Country Partnership Framework FY2016-2021, updated by the 2019 Performance and Learning Review.By improving the quality and efficiency of healthcare services, the Project is broadly aligned with the second focus area "enhancing social inclusion and mobility through improved service delivery", under its objective of "improved access to and quality of service delivery in targeted areas" where it mentions that support in improving health services and better integrating social protection programs are important cornerstones for possible future WBG interventions.

The Project is part of MIGA's response package for the COVID-19 crisis, falling under Pillar 1, whereby MIGA would utilize its non-honoring coverage to support governments raising financing to: (a) support the procurement of urgent COVID-19 medical supplies and services and (b) further strengthen and upgrade the medical system post-COVID-19.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Banco Bilbao Vizcaya Argentaria, S.A.	Undisclosed	-

Contact Information

Project contacts not available 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

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