Early Warning System

MIGA-15086

Fondo Mi Vivienda 2

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Quick Facts

Countries	Peru
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	U
Voting Date	2023-02-01
Borrower	Fondo Mivivienda S.A
Sectors	Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 370.00 million

Project Description

PROJECT DESCRIPTION

This summary covers an application made by Fondo Mivivienda S.A. (FMV) to cover a proposed lending facility to be provided to FMV from Lender(s) yet to be identified.

MIGA's coverage has been sought in relation to a Non-Honoring of Sovereign Financial Obligations of a State-Owned Enterprise (NHFO-SOE) guarantee for up to US$370 million to cover an up to US$300 million US dollar debt financing structure with a tenor of up to 6 years.

The proceeds of the MIGA-covered Loan(s) will be used by FMV to promote sustainable housing through green mortgage lending to middle-income households, and to increase access to mortgages to low-income households and vulnerable groups, including women-headed households and people with disabilities.FMV is a wholly owned financial institution of the Government of Peru with strategic importance in promoting and financing housing solutions in the country. It is the largest provider of affordable housing financing in Peru and plays a critical role in the government's public policies to reduce the country's housing shortage.

This project builds on MIGA's previous engagement with FMV in FY2022. The proceeds of the first MIGA-guaranteed loan were devoted to funding green housing mortgages under the Green House Program "Mivivienda Verde", which promotes green housing mortgages for the acquisition of certified green housing properties for vulnerable medium-income households and contributed to the development of the green mortgage market by commercial financial institutions.

ENVIRONMENTAL CATEGORIZATION

The MIGA Project will support mortgage access to middle-income households. The E&S risks associated with mortgage loans are considered minimal and this Project has thus been categorized as FI-3 underMIGA's Policy on Environmental and Social Sustainability (2013). There will be no E&S requirements for the lending portfolio. As part of the FY22 transaction, MIGA reviewed FMV's labor practices to ensure compliance with therequirements set under Performance Standard 2: Labor and Working Conditionsand no gaps were identified.

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.

- Fondo Mivivienda 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