

Colombia: EIB finances first line of Bogotá Metro with USD 480 million loan

- Project also supported by IDB and IBRD to the tune of USD 600 million each
- New 24 km-long raised metro line will enter into service in 2026

The European Investment Bank (EIB), Inter-American Development Bank (IDB) and International Bank for Reconstruction and Development (IBRD), part of the World Bank Group, today signed financing agreements with Empresa Metro de Bogotá to support a flagship investment project that will transform Bogotá: the construction of the capital's first metro line. The project will cost a total of USD 4.3 billion and be partly financed by a USD 480 million loan from the EU bank and contributions of USD 600 million each from the IDB and IBRD.

This is the first public sector project financed by the EIB in Colombia. The USD 56 million granted by the EU bank to Empresa Metro de Bogotá with the guarantee of the Republic of Colombia today represents the first instalment of a total loan of USD 480 million approved by the EIB to support the development of this project.

The new Bogotá metro will run on raised track to avoid earthquake risks along 24 km through the so-called Caracas Corridor located in the south-west of the capital where public transport demand is highest. The project will include the construction of 15 stations and acquisition of 23 trains each able to carry 1,800 passengers.

The project forms part of Bogotá's 2016-2019 Municipal Development Plan and includes other schemes to improve public transport in the city such as upgrading the public bus system to link it to the new metro and building 14 kilometres of new cycle paths.

The EIB is granting this loan under its Climate Action and Environment Facility (CAEF) with the aim of fostering climate change mitigation by promoting the use of public transport and helping to reduce pollutant emissions. The new metro line will also boost economic growth by generating new business opportunities, making it easier for workers to travel into the city centre and contributing to job creation.

EIB Vice-President Emma Navarro said about this project: *“For the first time, the EU bank is financing a project in the public sector in Colombia, supporting a large-scale piece of infrastructure that will have major economic and social benefits for the people. This project will foster climate action by helping to reduce pollutant emissions. We are therefore delighted to be taking part in a project that will transform Bogotá, meet all of the EU's top priorities in the region and promote social inclusion and economic*

growth in Colombia”.

Climate action and public transport

The EIB is the institution that provides most finance for climate action projects in the world. Last year it devoted EUR 19.4 billion to this goal, representing 28% of its activity. Part of this funding focused on promoting cleaner modes of transport and especially on supporting [metro networks](#) in various cities around the world.

The EIB in Latin America

The European Union is the main partner for the development of the Latin America region, its number one investor and second biggest trade partner. The EIB, as the EU bank, provides material support for projects in Latin America by facilitating long-term investment on favourable terms and by providing the technical support needed to ensure that these projects deliver positive social, economic and environmental results.

Since the EIB began operating in Latin America in 1993, it has provided total financing of EUR 8.0 billion to support 108 projects in 14 countries in the region. In 2017, the EU bank granted loans worth EUR 631 million in Latin America, enabling the development of eight projects in Bolivia, Nicaragua, Paraguay, Mexico, Argentina, Panama and Peru, in a variety of areas including renewable energy, sustainable transport, water and sanitation facilities, with a strong focus on climate action, as well as support for small businesses.