

 Early Warning System

AIIB-000904

Brazil: Sicredi Green Loan



## Quick Facts

Countries	Brazil
Specific Location	Uninformed
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-06-23
Borrower	Banco Cooperativo Sicredi S.A., Arthur Francisco Faviero Flores
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	\$ 100.00 million
Loan Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 100.00 million



## Project Description

### OBJECTIVE

The Project's objective is to contribute to increasing Brazil's energy security and global climate change mitigation through increased small-scale solar photovoltaic capacity.

### DESCRIPTION

The proposed Project is a non-sovereign-backed on-lending facility of up to USD 100 million to Banco Cooperativo Sicredi S.A. (Banco Sicredi), a cooperative bank in Brazil which is part of the larger Sistema de Credito Cooperativo - Sicredi (Sicredi System or Sicredi), to support renewable energy initiatives, particularly solar photovoltaics (PV) projects with capacity of equal to or less than 1 MW, in Brazil.

The Banco Sicredi will on-lend the funds to credit unions under the Sicredi System to further on-lend for the installation of solar PV to its customers, who are members of its 103 credit unions located across all regions of the country.

AIIB's facility will be entirely dedicated to climate change mitigation financing.

By financing only up to 50% of the underlying projects, AIIB's involvement is designed to catalyze private sector investment, thereby broadening the counterpart's funding sources and directing capital towards expanding renewable energy generation capacity.

### ENVIRONMENTAL AND SOCIAL INFORMATION

Applicable Policy and Categorization.

AIIB's Environmental and Social Policy (ESP), including Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), applies to this on-lending credit facility. The Project has been placed in Category FI as the financing structure involves the provision of funds through an FI, whereby Banco Sicredi, through the credit unions, will be responsible for the selection, appraisal, approval, and monitoring of sub-projects and the oversight of the sub-borrowers in line with AIIB's ESP requirements. Banco Sicredi manages Environmental and Social (ES) risks for activities under the proposed facility through its Social, Environmental, and Climate Risk Management Policy (SECRMP) which aligns with AIIB's ESP. The ES exclusion list of Banco Sicredi broadly aligns with AIIB's ESEL. Coal mining and/or transportation, coal-fired power plants, and infrastructure exclusively supporting these activities will be excluded. Category A as well as Higher Risk activities are excluded from the proposed facility.

Environmental and Social Management System (ESMS).

Banco Sicredi's ESMS aligns with AIIB's ESP and includes screening, categorization, due diligence, and monitoring of subprojects. Sicredi has established a division within its risk department which specifically addresses ES risks and conducts regular monitoring and evaluation of the projects to determine potential ES-related issues. As part of its ESMS, Sicredi uses a number of ES related tools including an ESG questionnaire encompassing, inter alia, health and workplace safety, and waste and residuals management. Sicredi ensures regular capacity building and ES trainings for all employees. Banco Sicredi also regularly connects with the Brazilian Federation of Banks (Febraban) and other stakeholders to remain up to date with emerging ES challenges and good ES risk management practices among financial institutions.

Environment and Social Aspects.

As AIIB's proceeds will be utilized only for small-scale (less than or equal to 1 MW each) solar PV projects, ES risks and impacts are assessed to be low in nature and can be effectively addressed through Banco Sicredi's Environmental Social Climate Management System includes the existing evaluation checklist for solar PV projects. Any investments requiring land acquisition will be excluded and as such the installations will be taken up only on rooftops or in specific cases on the existing



## Investment Description

- Asian Infrastructure Investment Bank (AIIB)

## 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 Cooperativo SICREDI S.A.](#) (Financial Intermediary)



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## Contact Information

### AIIB

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## ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>.

## ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides “an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB’s failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.” Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>.

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>.



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## Bank Documents

- [Project Summary \(May 27, 2025\)](#) [\[Original Source\]](#)