

 Early Warning System

AIIB-000975

Brazil: The Program for Development and Resilience for the Southern
Region Project



Quick Facts

Countries	Brazil
Specific Location	State of Rio Grande do Sul
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	FI
Borrower	Banco Regional de Desenvolvimento do Extremo Sul/ Regional Development Bank of the Extreme South (BR
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 300.00 million
Loan Amount (USD)	\$ 300.00 million
Project Cost (USD)	\$ 300.00 million



Project Description

OBJECTIVE

To rebuild flood damaged infrastructure that enables trade with Asia, to restore livelihoods, and reduce the impacts of future climate events in the State of Rio Grande do Sul through a sovereign-backed on-lending program.

DESCRIPTION

The Program for Development and Resilience for the Southern Region (the Project) will support post-disaster recovery of trade-enabling infrastructure, in the sectors of water, flood management, urban, transport, social and other infrastructure. This infrastructure is critical for the support of the State's export-based economy, as well as social and economic recovery of southern Brazil. The Project will be a sovereign-backed on-lending facility that will allow AIIB's funding to reach smaller borrowers that AIIB would not normally work with directly. Best practices in enhancing climate resilience will be applied throughout the post-disaster reconstruction, with nature-based solutions incorporated wherever possible.

The Project comprises the following components:

- A. Investment in projects that contribute to the economic recovery for Rio Grande do Sul and enable export-based trade (public and private);
- B. Investment in Energy Transition and Sustainable Infrastructure, including renewable energy, Climate-positive investments, sustainable urban mobility, investments in trade-enabling infrastructure; and
- C. Investment in climate resilience sub-projects in the public and private sectors.

ENVIRONMENTAL AND SOCIAL INFORMATION

Applicable Policy and Categorization:

AIIB's Environmental and Social Policy (ESP), including Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List (ESEL), applies to the Project. The Project is classified as Category FI because it involves the provision of funds through a Financial Institution (FI). Under this financing arrangement, AIIB will delegate to Regional Development Bank of the Extreme South (BRDE) the decision-making authority regarding the allocation of AIIB's funds to sub-projects that meet the agreed-upon conditions. This includes the selection, appraisal, approval, and monitoring of sub-projects, as well as the oversight of sub-borrowers and sub-projects, in compliance with AIIB's ESP requirements.

Environmental and Social Instruments:

BRDE has an approved Social, Environmental, and Climate Responsibility Policy ([link](#)

) which sets out principles and criteria to ensure that its investments align with best sustainability practices, and in addition, as a regional development bank in Brazil, BRDE has its own Environmental and Social Management System (ESMS). AIIB will assess BRDE's ESMS and make recommendations for enhancement as needed, referencing AIIB's ESP, ESSs, and ESEL, particularly for higher risk sub-projects comprising all Category A and selected Category B sub-projects. In parallel with identifying opportunities to enhance BRDE's ESMS, a Project Operational Manual (POM) will be prepared which will guide the selection, monitoring, and evaluation of sub-projects implemented by sub-borrowers, and include provisions to address gaps identified in BRDE's ESMS.

Environmental and Social Aspects:

To ensure environmental and social (ES) compliance, due diligence will be conducted on the sub-projects on which BRDE intends to on-lend. Sub-projects may present various ES risks especially where infrastructure works are involved. Such risks may relate to health and safety, noise and dust generation, pollution due to improper waste management, biodiversity impacts and losses due to rehabilitation and modernization of transport and other energy infrastructure. BRDE will be required to



Investment Description

- Asian Infrastructure Investment Bank (AIIB)



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>.



Bank Documents

- [Project Summary \(April 7, 2025\)](#) [\[Original Source\]](#)