

 Early Warning System

AIIB-001029

El Salvador: Fondo Social para la Vivienda Green Affordable Housing
Facility



Quick Facts

Countries	El Salvador
Specific Location	San Salvador
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	U
Borrower	Fondo Social para la Vivienda S.A., Claudia Lissette Varela de Soriano
Sectors	Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 50.00 million



Project Description

OBJECTIVE

To promote climate mitigation in the Republic of El Salvador by expanding the stock of green, energy- and water-efficient housing in alignment with the country's commitments under the Paris Agreement.

DESCRIPTION

The proposed Project is a sovereign-backed financing of up to USD 50 million to Fondo Social para la Vivienda S.A. (FSV), El Salvador's state-owned social housing lender. The loan proceeds will be allocated to green mortgages, incentivizing eco-friendly homeownership through energy- and water-efficiency specifications and aligned with international standards (e.g., equivalent to EDGE Level 1). By coupling affordability with environmental sustainability, the Project is expected to stimulate inclusive ownership and catalyze the development of a green mortgage market in El Salvador, improving living conditions and supporting sustainable urban growth. AIIB will provide its financing alongside a USD5 million non-sovereign commercial facility by an international bank.

ENVIRONMENTAL AND SOCIAL INFORMATION

Applicable Policy and Categorization:

AIIB's Environmental and Social Framework (ESF), including the Environmental and Social Policy (ESP), Environmental and Social Standards (ESSs), and Environmental and Social Exclusion List (ESEL), applies to the Project. The Project has been classified as Category FI because the financing structure involves the provision of funds through a Financial Institution. FSV will allocate AIIB's funds to subprojects that meet agreed-upon criteria and will appraise, approve, and monitor subprojects in accordance with its own environmental and social (ES) policies and procedures, AIIB's ESF, and national legislation.

Environmental and Social Instruments:

FSV has an internal system of policies and procedures for managing ES risks associated with the Project. Together, these operate as the FI's ES Management System (ESMS). AIIB has reviewed FSV's operational policies and procedures to assess their suitability, completeness, and alignment with AIIB's ESF. Gap-filling measures to ensure full alignment with AIIB's ESF, including the ESP, ESSs, and ESEL, will be included in an Environmental and Social Action Plan (ESAP), if required. In addition, an assessment of each developer's (construction contractor's) planning, urban design, and management practices of ES risks and impacts is carried out by a multi-disciplinary team and ES technical specialists employed directly by FSV before any mortgages are offered.

Environmental and Social Aspects:

FSV finances housing solutions with a strong social and environmental focus, promoting sustainable construction and design. Key ES risks and impacts associated with mortgage lending for social housing include ensuring these are safe from physical and transition climate risks tied to the asset, and social risks linked to inclusion, affordability, vulnerability of tenants, and community impacts are considered in the assessment, along with favorable terms and conditions.

Occupational Health and Safety, Labor and Employment Conditions

FSV has an Occupational Health and Safety (OHS) Committee, which is registered with the Ministry of Labor and Social Welfare. FSV embraces a strong safety culture, conducting periodic drills and training with its staff. The organization's health and safety framework includes an OHS Manual and an Occupational Risk Management program.

Information Disclosure and Project Grievance Redress Mechanism (GRM).

An overview of FSV ESMS for the Project will be disclosed timely by FSV and the Bank in an appropriate manner. In addition, FSV has a grievance redress procedure and provides multiple channels for loan recipients and other stakeholders to submit



Investment Description

- Asian Infrastructure Investment Bank (AIIB)



Contact Information

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 \(February 23, 2026\)](#) [Original Source]