Early Warning System

AIIB-001201

Brazil: Southern Brazil Sustainable Infrastructure Project (PROINFRA)

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Quick Facts

Countries	Brazil
Specific Location	States of Rio Grande do Sul, Santa Catarina, Paraná and Mato Grosso do Sul
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	FI
Borrower	Banco Regional de Desenvolvimento do Extremo Sul (BRDE)
Sectors	Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	$ 115.00 million
Loan Amount (USD)	$ 115.00 million
Project Cost (USD)	$ 115.00 million

Project Description

OBJECTIVE

To improve infrastructure connectivity with Asia, trade competitiveness, and climate sustainability in Southern Brazil by expanding access to long-term financing for productive, trade-enabling, and low-carbon infrastructure investments through the Regional Development Bank of the Extreme South (BRDE).

DESCRIPTION

Southern Brazil is one of the country's most economically important and productive regions, with a diversified economic base that includes agribusiness, manufacturing, services, logistics, ports and export-oriented value chains. The region plays a strategic role in Brazil's food production, industrial activity and resulting international trade, while also serving as a key gateway for regional connectivity with Asian markets.

Despite the region's economic importance and the progress achieved over recent decades, significant infrastructure gaps remain, particularly in energy, urban and rural logistics, rural infrastructure, water resources management and access to long-term finance for smaller municipalities and productive sectors. These gaps have direct implications for the region's competitiveness, resilience and capacity to maximize trade connectivity and sustain economic growth. In the energy sector, the narrowing gap between electricity generation and consumption in the South, combined with the region's dependence on large hydropower and its exposure to droughts, increases the vulnerability of the power system. Expanding renewable energy, biomass and energy efficiency investments is therefore critical to improve energy security and support the energy transition. The region also faces important logistics and connectivity challenges, affecting mobility, production, storage and the movement of goods. In rural areas, there is a need to expand storage capacity, improve secondary roads and logistics facilities, and lower logistics costs. These investments are particularly relevant for agribusiness and export-oriented value chains, which are central to Southern Brazil's economy.

The proposed project would support low-carbon productive infrastructure, energy transition and sustainable regional competitiveness in Southern Brazil through credit lines provided by BRDE to public and private beneficiaries. It would also address structural connectivity constraints by leveraging investments in road, port, and rural infrastructure. Financing may be provided to municipalities, public-private partnerships, concessions, private companies, and rural producers.

The Project will be implemented by the Regional Development Bank of Southern Brazil (BRDE). BRDE is a public development finance institution controlled by the states of Parana, Santa Catarina and Rio Grande do Sul, with financial and administrative autonomy. Its mandate covers the Southern Region of Brazil and Mato Grosso do Sul.

This would be the second AIIB-BRDE facility, following the Southern Brazil Sustainable Infrastructure and Trade Recovery Project that targeted climate-aligned investments for restoration of trade-enabling infrastructure. The second facility would allow expanding BRDE's capacity to finance sustainable infrastructure beyond the immediate post-flood recovery and trade-connectivity focus of the first operation. It would also adopt a more focused approach, concentrating on selected activities to reduce approval complexity and ensure a clear focus. Activities to be assessed include small hydropower projects, biomass energy, interurban transport infrastructure, and ports. These areas are expected to support trade-intensive value chains, climate mitigation and connectivity. The final loan amount would be calibrated to the expected demand and readiness of the selected eligible activities and defined after due diligence.

The project beneficiaries are the inhabitants of the states of Rio Grande do Sul, Santa Catarina, Parana and Mato Grosso do Sul. The project will focus particularly on low-income populations living in areas lacking basic services, as well as underserved rural communities.

ENVIRONMENTAL AND SOCIAL INFORMATION

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Contact Information

AIIB

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 (November 9, 2026) [Original Source]