



Project Summary Information

Date of Document Preparation: April 28, 2022	
Project Name	BDMG Renewables and Asia Connectivity Facility
Project Number	P000491
AIIB member	Federative Republic of Brazil (Brazil)
Sector/Subsector	Finance / Intermediary Financing
Status of Financing	Approved
Project Description	Non-sovereign backed multisector on-lending credit facility to be implemented by Brazil-based Banco de Desenvolvimento de Minas Gerais S.A. (BDMG) for subprojects primarily located in Minas Gerais, that involve either renewable energy and eligible infrastructure related sectors that link Brazil and Asia through enhanced trade and investment flows.
Objective	Supporting global public goods and trade and connectivity between Brazil and Asia.
Expected Results	The Project is expected to comprise subprojects that support renewable energy and/or enhance trade and investment flows between Brazil and Asia. The expected results may be measured by the quantum of financing made available to beneficiaries.
Environmental and Social Category	FI.
Environmental and Social Information	<p>AIIB's Environmental and Social Policy (ESP) is applicable to this on-lending facility. The project has been placed in Category FI, and the BDMG's Environmental and Social Management System (ESMS), which is aligned with the ESP, will be used as the project's environmental and social (ES) instrument.</p> <p>Sub-borrowers will use the funds to invest in subprojects that operate in renewable energy and other eligible infrastructure related sectors and may use proceeds to fund subprojects that link Brazil and Asia via enhanced trade and investment flows, across a range of sectors.</p> <p>All Category A subprojects and higher risk Category B subprojects involving a) involuntary resettlement, b) risk of adverse impacts on Indigenous Peoples, c) significant risks to or impacts on the environment, community health and safety, biodiversity, cultural heritage or d) significant occupational health and safety risks, will be</p>

	<p>excluded from financing under this facility. Coal-related sub-loans including coal mining, coal transportation or coal-fired power plants, as well as infrastructure services exclusively dedicated to support any of these activities, and large dams will also be excluded.</p> <p>BDMG will undertake an ES screening process for sub-borrowers, review sub-borrowers' compliance with the applicable ES regulatory requirements, and monitor ES performance over the loan period. Sub-borrowers are required to: (a) demonstrate the compliance of their activities with applicable ES regulatory requirements and maintain that status during the tenure of the sub-loan; (b) represent not having recently been administratively or judicially determined to be materially in breach of applicable ES regulations; (c) not be reported in mainstream social media as materially contravening good ES practices; and (d) maintain a subproject level grievance redress mechanism to address concerns of stakeholders. AIIB will retain the right to review ex post all subprojects financed under the facility. Public consultations and disclosure of ES safeguard documents at the subproject level will follow requirements of local and AIIB ES regulations.</p> <p>BDMG has disclosed key elements of its ESMS and environmental indicators for its own operations on its website: https://www.bdmg.mg.gov.br/about/?responsabilidade. BDMG addresses third-party views, enquiries or concerns through its External Communication Mechanism (ECM): https://www.bdmg.mg.gov.br/client-service/. AIIB has also included these links on its website.</p>	
Cost and Financing Plan	USD 100 million	
Borrower	Banco de Desenvolvimento de Minas Gerais S.A. (BDMG)	
Estimated date of loan closing	July 2022	
Contact Points:	AIIB	BDMG
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Date of Concept Decision	April 21, 2021	
Date of Appraisal Decision	December 29, 2021	

Date of Financing Approval	January 20, 2022
Independent Accountability Mechanism	<p>AIIB's Policy on the Project-affected Peoples Mechanism (PPM) applies to this Project. The PPM has been established by AIIB to provide 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 the ECM or the processes of AIIB's Management.</p> <p>Information on AIIB's PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policyon-the-project-affected-mechanism.html</p>