



Project Summary Information

Date of Document Update: September 11, 2025	
Project Name	BTG Green On-Lending
Project Number	P000706
AIIB member	Brazil
Sector/Subsector	Multi-sector
Alignment with AIIB's thematic priorities	Green infrastructure; Private capital mobilization.
Status of Financing	Approved
Objective	To contribute to climate change mitigation in Brazil.
Project Description	The Project is an on-lending facility of up to USD160 million to Banco BTG Pactual S.A. (BTG) to support sub-projects contributing to climate change mitigation in Brazil.
Expected Results	The Project is expected to support sub-projects in the renewable energy generation sector or in another infrastructure area (such as water and sanitation sector) that contribute to climate mitigation. The expected results will be measured by the following indicators: (i) greenhouse gas avoidance (tCO ₂ e per year); and (ii) number of climate change mitigating sub-projects financed.
Environmental and Social Category	FI
Environmental and Social Information	Environmental and Social Policy, Standards and Categorization. AIIB's Environmental and Social Policy (ESP) including Environmental and Social Exclusion List (ESEL) applies to this on-lending credit facility. The Project has been placed in Category FI because the financing structure involves the provision of funds through a Financial Institution (FI), whereby AIIB delegates to BTG the decision-making on the use of AIIB's funds towards subprojects meeting the conditions agreed upon with BTG. This includes the selection, appraisal, approval, and monitoring of subprojects and the oversight of the sub-borrowers and sub-projects in line with AIIB's ESP requirements.

Environment and Social Management System (ESMS). BTG has a holistic ESG management system for different business segments including credit and securitization activity. BTG has become a signatory to the Equator Principles (EP) since 2020 and published its EP first-year implementation report in July 2022¹. For other lending activities, BTG applies reputational risk check, regulatory blacklist screening and conducts an ESG due diligence following internal sectoral environmental and social (E&S) policy, supplemented with climate risk identification and analysis, including physical risk and deforestation risk. BTG has agreed to align ESMS to meet AIIB ESP requirements for this Project before first disbursement. This includes introducing AIIB ESEL and enhancing E&S categorization and E&S due diligence based on AIIB ESP requirements. All Category A and higher risk Category B subprojects will be excluded and clearly defined as per PESP during project categorization.

Environmental and Social Aspects. The AIIB loan proceeds will be used for on-lending to the water & sanitation and/or renewable energy subprojects in Brazil. AIIB funds can be recycled if needed to support other subprojects that meet the eligibility criteria agreed in advance with BTG. The subprojects to be financed by this facility will have a positive impact on local social and economic development, as well as health and the environment. However, construction and operation phases may have ES impacts on the air, water, waste, biodiversity, resettlement and loss of livelihoods etc. These impacts are expected to be managed by the ES Management Plan and following the good practices. Higher ES Risks subprojects are excluded under this financing.

Occupational Health and Safety (OHS), Labor and Working Conditions. BTG has been advised by AIIB of the need for provisions on labor and working conditions related to sub-projects. All suppliers and contractors will be advised of the importance of implementing appropriate management measures to identify and address issues related to the E&S provisions of the ESMS, including labor and working conditions and health and safety matters. The ESMS will include requirements to identify and mitigate potential health, safety, social and environmental hazards in all subproject activities that pose a risk to employees and may also have the potential for disruption of site works. Generally, Brazilian local laws proposed high OHS standards and workers' awareness are high, which has been confirmed during the ESDD and site visit.

Stakeholder Engagement, Consultation, and Information Disclosure. BTG discloses [Social, Environmental and Climate Responsibility Policy](#)² and will disclose an overview of ESMS in a timely manner as well as annual ESG report on its official website, and describes the E&S policy and procedure that are aligned with Equator Principles requirements on EP's website.

¹ <https://static.btgpactual.com/media/equator-principles-first-year-implementation-report2.pdf>

² [social-environmental-and-climate-responsibilities-policy.pdf \(btgpactual.com\)](#)

	<p>BTG identifies key stakeholders and actively engages with them regarding ESG matters through an online survey. For every subproject, BTG reviews the sub-borrower's Stakeholder Engagement Plan (SEP) and the integration of local community demand in the project design.</p> <p>Project's Grievance Redress Mechanism (GRM). BTG has a Compliance Hotline as project-level GRM that is managed by a selected compliance team to receive accusations, complaints or other reports concerning issues highlighted in BTG's Code of Conduct and Ethics. Every subproject will be required to establish its GRM for community stakeholders and construction contracted workers. BTG's website will be required to provide information on GRMs and AIIB's Project-Affected People's Mechanism (PPM) in a timely and appropriate manner.</p> <p>Monitoring and Supervision Arrangements. BTG will rely on information provided directly by the sub-borrowers to conduct ESDD and on-going monitoring of the sub-projects. BTG will be required to maintain a comprehensive database comprising all relevant E&S information and report to AIIB a summary of the E&S aspects and overview of the E&S performance of the Project's portfolio every year and on an agreed template. AIIB will conduct a post-review of the selection and implementation of subprojects as part of its regular monitoring and supervision, comprising engagement with BTG, potential site visits and detailed review of the E&S documentation of selected subprojects.</p>	
Cost and Financing Plan	Up to USD160 million	
Borrower	Banco BTG Pactual S.A.	
Estimated date of last disbursement (NSBF)	Q3 2025	
Contact Points:	AIIB	Borrower
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Date of Concept Decision	January 18, 2023	
Date of Appraisal Decision	June 14, 2023	

Date of Financing Approval	July 13, 2023
Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the 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 its ESP in situations when their concerns cannot be addressed satisfactorily through Project GRMs or AIIB Management's processes. For information on how to make submissions to the PPM, please visit How We Assist You - Project-Affected People's Mechanism (aiib.org)