



Project Summary Information

Date of Document Preparation/Updating: 06/23/25	
Project Name	Sicredi Green Loan
Project Number	P000904
AIIB member	Federative Republic of Brazil
Sector/Subsector	Energy
Alignment with AIIB's thematic priorities	Green infrastructure; Private Capital Mobilization
Status of Financing	Approved
Objective	The Project's objective is to contribute to increasing Brazil's energy security and global climate change mitigation through increased small-scale solar photovoltaic capacity.
Project Description	<p>The proposed Project is a non-sovereign-backed on-lending facility of up to USD 100 million to Banco Cooperativo Sicredi S.A. (Banco Sicredi), a cooperative bank in Brazil which is part of the larger Sistema de Crédito Cooperativo – Sicredi (Sicredi System or Sicredi), to support renewable energy initiatives, particularly solar photovoltaics (PV) projects with capacity of equal to or less than 1 MW, in Brazil.</p> <p>The Banco Sicredi will on-lend the funds to credit unions under the Sicredi System to further on-lend for the installation of solar PV to its customers, who are members of its 103 credit unions located across all regions of the country.</p> <p>AIIB's facility will be entirely dedicated to climate change mitigation financing.</p> <p>By financing only up to 50% of the underlying projects, AIIB's involvement is designed to catalyze private sector investment, thereby broadening the counterpart's funding sources and directing capital towards expanding renewable energy generation capacity.</p>

Expected Results	<p>The expected results of the Project are increased renewable energy capacity and avoided greenhouse gas emissions. The Project's objective will be monitored with the following indicators:</p> <ul style="list-style-type: none"> • Solar PV capacity installed under the program (megawatt or MW) • Greenhouse gas (GHG) emissions avoided (tons CO2 equivalent per year) <p>Progress towards the objective will be measured using the following intermediate results indicators:</p> <ul style="list-style-type: none"> • Number of subloans financed (Number) • Volume of subloans financed (USD million) • Private finance mobilized (USD million)
Environmental and Social Category	FI
Environmental and Social Information	<p>Applicable Policy and Categorization. AIIB's Environmental and Social Policy (ESP), including Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), applies to this on-lending credit facility. The Project has been placed in Category FI as the financing structure involves the provision of funds through an FI, whereby Banco Sicredi, through the credit unions, will be responsible for the selection, appraisal, approval, and monitoring of sub-projects and the oversight of the sub-borrowers in line with AIIB's ESP requirements. Banco Sicredi manages Environmental and Social (ES) risks for activities under the proposed facility through its Social, Environmental, and Climate Risk Management Policy (SECRMP) which aligns with AIIB's ESP. The ES exclusion list of Banco Sicredi broadly aligns with AIIB's ESEL. Coal mining and/or transportation, coal-fired power plants, and infrastructure exclusively supporting these activities will be excluded. Category A as well as Higher Risk activities¹ are excluded from the proposed facility.</p> <p>Environmental and Social Management System (ESMS). Banco Sicredi's ESMS aligns with AIIB's ESP and includes screening, categorization, due diligence, and monitoring of subprojects. Sicredi has established a division within its risk department which specifically addresses ES risks and conducts regular monitoring and evaluation of the projects to determine potential ES-related issues. As part of its ESMS, Sicredi uses a number of ES related tools including an ESG questionnaire encompassing, inter alia, health and workplace safety, and waste and residuals management. Sicredi ensures regular capacity building and ES trainings for all employees. Banco Sicredi also regularly connects with the Brazilian Federation of Banks (Febraban) and other stakeholders to remain up to date with emerging ES challenges and good ES risk management practices among financial institutions.</p>

¹ Higher Risk Activities means all Category A and selected Category B projects that may potentially result in: (i) Involuntary Resettlement; (ii) risk of adverse impacts on Indigenous Peoples and/or vulnerable groups; (iii) significant risks to, or impacts on, the environment, community health and safety, biodiversity and cultural resources; (iv) significant retrenchment representing more than 20 percent of direct employees and recurrent contractors; and/or (v) significant occupational health and safety risks

Environment and Social Aspects. As AIB's proceeds will be utilized only for small-scale (less than or equal to 1 MW each) solar PV projects, ES risks and impacts are assessed to be low in nature and can be effectively addressed through Banco Sicredi's Environmental Social Climate Management System which includes the evaluation checklist for solar PV projects. Any investments requiring land acquisition will be excluded and as such the installations will be taken up only on rooftops or in specific cases on the existing premises of SMEs and households. In addition to screening and due diligence, Banco Sicredi also employs geoprocessing tools and considers information available in the Rural Environmental Registry to assess ES sensitivities/risks with respect to target sites to verify that the subprojects are not located in, inter alia, protected areas, nature conservation sites and land belonging to Indigenous Peoples. As the proposed facility will finance only small-scale solar/rooftop solar subprojects and Category A and higher risk activities are excluded, it is determined that Banco Sicredi's existing ESMS is sufficiently equipped for ES risk management.

Gender Aspects. As a credit cooperative system that also acts as an agent for transforming society, Sicredi recognizes its role in promoting gender equality. The Sicredi Foundation institutionalized 'Comitê Mulher' Program (women's committee) which seeks to promote gender equality and empowering women so that they can take part in management at all levels of the cooperative, leading, undertaking, and promoting the sustainable development of Sicredi's business model in their communities. The Committee serves as the means by which Sicredi increases the representation of women in the management of credit unions, working for inclusion and diversity, and fostering permanent social transformation. Sicredi under the Global Reporting Initiative publishes its gender data in its sustainability report.

Occupational Health and Safety (OHS), Labor and Employment Conditions. As the project activities are limited to SMEs and households primarily for setting up rooftop solar up to 1 MW, construction and operation stage OHS risks are assessed to be limited and managed with the implementation of safety control measures and preventive systems. Sicredi requires all its creditors to comply with standard contractual requirements, which include sub-borrower obligations to comply with environmental, safety, and labor laws. These standard contractual requirements also contain provisions in respect of labor and working conditions, minimum age of workers, compliance with national laws on OHS, maintaining and complying with all labor licenses.

Stakeholder Engagement and Information Disclosure. Due to the cooperative/community nature of the business that Sicredi is in, extensive stakeholder engagement is practiced regularly. Sicredi implements local development activities targeting women, educators, children, and youth, wherein consultations and stakeholder engagement are widely conducted.

	<p>Banco Sicredi publicly discloses its ES Policy² and annual sustainability report³ on its website. As part of its Risk and Capital Management structure, Banco Sicredi also implements an information disclosure policy to promote transparency and comply with the requirements.</p> <p>Project Grievance Redress Mechanism (GRM) Banco Sicredi receives external complaints through multiple service channels including website, Ombudsman, Central Bank, Consumidor.gov.br, Reclame Aqui, Social Networks, Procon and BNDES. These service channels act as the project GRM⁴ and offer multiple ways to receive complaints from stakeholders. Sicredi also provides a secure, anonymous whistleblowing channel that can be accessed by internal and external reporters online or by phone. The system can also be used to report any potential violation of the Sicredi Code of Conduct, policies, laws, or regulations applicable to Banco Sicredi. The information of project GRM and AIIB's Project-affected People's Mechanism (PPM) in local language will be timely disclosed in an appropriate manner.</p> <p>Monitoring and Reporting Arrangements. The Bank will monitor ESMS implementation and engage with Banco Sicredi to annually assess ES performance of subprojects. Semi-annual reporting will be required on the utilization of the facility and annual ES performance report of sub-projects will be prepared and submitted to AIIB based on agreed format. AIIB will conduct site visits on an annual basis to selected subprojects and sub-borrowers in consultation and together with Banco Sicredi.</p>
Cost and Financing Plan	AIIB loan: USD100 million
Borrower	Banco Cooperativo Sicredi S.A.
Estimated date of last disbursement	Q3 2025

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² [Sicredi Management of Social, Environment and Climate Risks](#); [Sicredi Sustainability Policy](#)

³ Sicredi [Relatório de Sustentabilidade 2023](#) (Sustainability Report 2023)

⁴ <https://contatoseguro.com.br/sicredi>

Date of Concept Decision	11/21/24
Date of Appraisal Decision	04/24/25
Date of Financing Approval	06/23/25

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-level GRM 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)
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