



Project Summary Information

Date of Document Preparation: 02/23/26	
Project Name	Fondo Social para la Vivienda Green Affordable Housing Facility
Project Number	P001029
AIIB member	El Salvador
Sector/Subsector	Urban
Alignment with AIIB's thematic priorities	Green infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
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.
Project 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.
Expected Results	<p>The Project's development objective will be monitored through the following indicators, to be confirmed during the appraisal stage: Green Housing Units Financed (number); Greenhouse gas (GHG) emission reduction (tonnes of carbon dioxide equivalent per annum or tCO₂e/year); Water savings (million liters per year).</p> <p>The proposed intermediate results indicators (IRI) include the following: Number of Green Mortgages Lent; Share of Loans to Low-income Households; Share of loans to women-led households; Co-financing amount disbursed; Facility-level non-performing loans (NPL). These will be confirmed during the appraisal stage.</p>
Environmental and Social Category	FI

<p>Environmental and Social Information</p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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 complaints, including face-to-face, telephone, and through electronic/digital means. As the GRM at the Project level, the processes of the GRM will provide the classification of concerns, and route those to the responsible business unit, recorded, documented, and addressed in a timely manner until closed. AIIB's Project Affected People's Mechanism (PPM) will be disclosed timely in an appropriate manner.</p> <p>Monitoring and Reporting Arrangement. FSV will be responsible for gathering and verifying data on the operational progress, and a regular ES monitoring report covering all subprojects financed with AIIB proceeds will be prepared based</p>
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	on the agreed format. AIIB will supervise the performance of the subprojects regularly through review of progress reports and site visits to selected subprojects. More details will be determined during the ESDD.	
Cost and Financing Plan	Project Cost: USD55 million AIIB loan: USD50 million Commercial bank loan: USD5 million	
Borrower	Fondo Social para la Vivienda S.A.	
Guarantor	Republic of El Salvador	
Estimated date of loan closing (SBF)	January 2029	
Contact Points:	AIIB	Fondo Social para la Vivienda S.A.
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Date of Concept Decision	January 29, 2026	
Estimated Date of Appraisal Decision	April 2026	
Estimated Date of Financing Approval	Q2 2026	
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 ESF 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 https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html .	