Project Summary for Public Disclosure
(after approval of NDB financing)

Project Name	Financing of Renewable Energy Projects and Associated Transmission
Country	The Federative Republic of Brazil
Type	Non-Sovereign
Area of Operation	Clean Energy & Energy Efficiency
Financing Approval Date	26 April 2016
NDB Financing	USD 300 million
Borrower	Banco Nacional de Desenvolvimento Economico e Social (The Brazilian Development Bank - BNDES)
Project Entity	BNDES
Project Context	Brazil is the largest economy in South America. Brazil's share of GDP in South America accounts for more than 55%. In recent years, Brazil's economic development has been volatile. Domestic demand has been contracting and investments are falling. Brazil is also experiencing a significant drop of investment in infrastructure. This negatively impacts the energy sector, which is a critical part of the country's overall infrastructure. Current energy structure heavily depends on hydel power, with 61% of the country's total energy power generated by hydel capacity. Volatility in hydel generation has an amplifying effect on the country's entire energy capacity, due to the excessive reliance on hydel. Alternative renewable energy resources haven't been fully explored, constrained by financing. In this context, the project is designed with financing facility provided by New Development Bank (NDB), to enhance the capacity of Brazil's alternative renewable energy. The project is in alignment with NDB's objective to accelerate green financing and promote renewable energy development.
Project Description	The NDB supported BNDES with a two-step loan to on-lend to renewable energy projects and associated transmission projects. BNDES is a 100% state owned national bank for economic and social development and the main financier for infrastructure projects. BNDES financed sub-projects to increase financing source for BNDES to facilitate development of renewable energy and associated infrastructure in the country. The sub-loans were subject to eligibility criteria and NDB's appraisal, where the sub-loan financing is in excess of USD 70 million or assessed as an

	Environmental or Social Category A. The aggregate exposure for projects in any one of alternative renewable energy areas did not exceed 60% of the total loan amount, to diversify the development. Sub-loan for any single sub-project was limited to maximum 25% of the total loan.
Project Objective	The objective of NDB's financing was to provide an alternative financing source for BNDES to facilitate development of infrastructure.
Implementation Arrangements	The BNDES was responsible for assessment of the sub-loans for each renewable energy project. Where the NDB's approval was required, BNDES submitted due diligence documents, procurement terms, environmental and social assessment, economic and financial analysis and other relevant project reports.
Environmental and Social Information	The Project contributed to a diversified renewable energy portfolio for Brazil's energy sector, to reduce reliance on hydel and increase the country's resilience in energy supply. It aligns with NDB's focus to support projects that aim at developing renewable energy sources. BNDES ensured compliance with the country's legislative requirements and NDB's environmental and social framework.
Financing	The total amount of the loan is USD 300 million. For each sub-project, BNDES financed from its other sources an amount higher than the sub-loan disbursed by NDB.

Source of Fund	Amount (USD million)
NDB	300

Contacts	NDB	Borrower and Project Entity
	Americas Regional Office Name: Alexandre Takahashi	BNDES Name: Vivian Santos Email: viviansantos@bndes.gov.br