

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

Project Name	BRDE Urban, Rural and Social Infrastructure Program to achieve the SDGs
Country	The Federative Republic of Brazil
Type	Sovereign
Area of Operation	Multiple Areas
Concept Approval Date	16 March 2020
Financing Approval Date	15 December 2020
Total Project Cost	EUR 134.64 million
Initial Limit of NDB Financing	EUR 134.64 million
Current Limit of NDB Financing	EUR 134.64 million
Borrower	Banco Regional de Desenvolvimento do Extremo Sul
Project Entity	Banco Regional de Desenvolvimento do Extremo Sul
Project Context	<p>The Southern Region of Brazil comprises the states of Rio Grande do Sul, Santa Catarina, and Paraná, with a total population of 29.6 million, accounting for about 14% of the country's population and its GDP representing 20% of the country's GDP. The Region has very few large cities and about two-thirds of its population lives in small to medium sized cities. In the backdrop of economic crisis Brazil is experiencing, small and medium municipalities have constrained fiscal capacity to invest and have very limited access to financing from Brazil's private banking sector. Banco Regional de Desenvolvimento do Extremo Sul (BRDE) has been an important financier with a strong reach to channel financial resources to smaller municipalities in the Southern Region of the country.</p>
Project Description	<p>NDB will provide a sovereign guaranteed loan to BRDE for on-lending to sustainable infrastructure projects to sub-borrowers in the Southern Region of Brazil. The sub-projects shall be selected by BRDE based on the following criteria: (i) the municipalities with a population preferably of less than 100,000 inhabitants that currently cannot directly access international financing due to regulatory restrictions; and (ii) state-owned enterprises and private sector companies, including their participation in concessions, public-private partnerships and other similar arrangements.</p>

Project Objective	The Project will contribute to addressing scarcity and bottlenecks of infrastructure in key sectors in the Southern Region of Brazil, by filling the gap of infrastructure financing needs, particularly for sub-national governments with limited access to infrastructure financing.	
Implementation Arrangements	The Project will be implemented over a period of five years. BRDE will be responsible for the overall Project monitoring and evaluation, including selection of sub-projects, collection of all information and supervision of sub-project performance. Sub-borrowers from the public and private sectors will be responsible for planning and implementing sub-projects and sharing implementation reports with BRDE.	
Environmental and Social Information	The Project has been categorized as Category FI-B in line with the NDB's Environmental and Social Framework. The Project's main environmental and social impacts may include resettlement, alteration of habitats, pollutant emissions during construction, occupational and community health and safety. The negative impacts will be mitigated by adherence to country system requirements, BRDE's E&S policies, and the implementation of an Environmental and Social Impact Management Plan.	
Financing		
	Source of Fund	Amount (EUR million)
	NDB	134.64
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