

Project Summary for Public Disclosure

Project Name	BNDES-NDB Sustainable Infrastructure Project
Country	The Federal Republic of Brazil
Sector	Multiple Areas
Concept Approval Date	17 August 2020
Board Approval Date	15 December 2020
Total Project Cost	USD 1.5 billion equivalent
Loan Amount	Up to USD 1.2 billion equivalent
Borrower	The Brazilian Development Bank (BNDES) with Sovereign Guarantee from the Federative Republic of Brazil
Implementing Agency	BNDES
Project Context	<p>The National Strategy for Economic and Social Development (ENDES) aims to catalyze sustainable development in Brazil for the period 2020 to 2031. The ENDES provides the strategic basis of governance for the federal planning system and establishes guidelines, goals and sector indicators for the country's development efforts. One of the priorities of the ENDES is developing infrastructure across key sectors of socio-economic activity. The Government of Brazil (GoB) has called on public and private infrastructure stakeholders to increase investments from diversified sources; while ensuring that projects are adequately managed and ultimately directed towards the improvement of society's wellbeing. As a key instrument for implementation of the GoB's strategies for long-term growth in Brazil, BNDES plays a fundamental role in driving the infrastructure development ambitions of the ENDES. In 2019 alone, BNDES' investments in infrastructure totaled USD 4.7 billion, representing about 55% of its lending. Further, BNDES' commitments to sustainable development and capacity to support structuring of infrastructure projects at the national and sub-national levels emphasize its strategic role in mobilization and coordination of public and private resources. NDB will contribute to the GoB's vision for growth and development by partnering with BNDES to increase investments in infrastructure and delivering development results across key sectors of economic activity, in line with Brazil's commitments to the United Nations' 2030 Agenda for Sustainable Development (2030 Agenda).</p>
Project Objective	The Project will support improvement in the socio-economic wellbeing of people in Brazil, in line with the GoB's vision of driving growth through sustainable infrastructure development, as well as Brazil's commitments

	to the 2030 Agenda.	
Project Description	NDB will provide a sovereign guaranteed loan to BNDES for on-lending to the public and private sectors for sustainable infrastructure sub-projects in the following eligible sectors: Renewable Energy and Energy Efficiency (generation, transmission and distribution), Urban Mobility, Water and Sanitation, Transport and Logistics, Information and Communication Technology, and Social Infrastructure.	
Expected Benefits	The Project will contribute to the GoB's efforts to support socio-economic growth and development through sustainable infrastructure investments in key sectors. The development impact of the Project is expected to be achieved through a results chain consisting of (i) new and/or upgraded sustainable infrastructure across the eligible sectors of the Project and (ii) the immediate and direct expected benefits of the use or application of the sustainable infrastructure delivered by the sub-projects. The infrastructure development through the sub-projects will enable faster and inclusive economic growth and is expected to deliver a wide range of socio-economic benefits to Brazil. In addition, the Project's emphasis on identifying and promoting innovation in sub-projects is expected to enhance the capacity of NDB and BNDES to further integrate considerations of innovation into their wider operations.	
Environmental and Social Aspect	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, BNDES' E&S policies, and the implementation of an Environmental and Social Impact Management Plan.	
Financing Aspect	The total Project cost is estimated at USD 1,500 million.	
	Source of Fund	Amount (USD million)
	New Development Bank	1,200
	BNDES	300
Implementation	The Project will be implemented in four years. BNDES 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 BNDES.	
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