

1. **Scope of Environmental and Social Review.** The environmental and social review of the proposed transaction was carried out through desk research, and an extensive review of the client's existing environmental and social procedures. Sicredi is an existing IDB Invest client, and has implemented an environmental and social management system in line with our policy requirements.
2. **Environmental and Social Categorization and Rationale.** The proposed operation is classified as an FI-3 per IDB Invest's Sustainability Policy. Underlying loans to be supported through the loan will support photovoltaic (PV) solar projects through Eligible Cooperatives, in accordance with applicable laws, in Brazil. The sub-loans will be in average of US\$20,000 and maximum of US\$250,000. High Risk sub-projects, will be excluded.
3. **Environmental and Social (E&S) Risks and Impacts.** The main E&S risks of this projects are associated with the Financial Institution (FI) capacity to identify and manage the E&S risks associated with its lending activities. Sicredi's capacity in this respect is considered adequate based on previous work with IDB Group and its partnership with International Finance Corporation (IFC).
4. **Mitigation Measures.** Sicredi will be required to ensure that all loans supported under the loan comply with IDB Invest's Exclusion List, applicable E&S local laws, and Sicredi's existing Environmental and Social Management System (ESMS). To enable the Borrower to better understand IDB Invest requirements, Sicredi will be required to complete the IDB Invest online training course on Environmental and Social Risk Management. Sicredi's Internal Audit area conducts an annual process to assess the effectiveness of the procedures adopted under the Standard for Social and Environmental Risk Related to Credit of the bank. The application of socio-environmental practices is also assessed externally by the Brazilian Central Bank, which periodically oversees the implementation of Resolution 4,327, as does Sicredi's business partner the IFC, by means of the annual Universal Banks report.
5. **Environmental and Social Action Plan**

Task	Deliverable	Deadline
Complete the IDB Invest online training course on Environmental and Social Risk Management.	Present certificate of the person in charge of the ESMS	Before first disbursement

**6. Contact Information** For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see **Investment Summary** tab), or IDB Invest using the email [requestinformation@idbinvest.org](mailto:requestinformation@idbinvest.org). As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to [mecanismo@iadb.org](mailto:mecanismo@iadb.org) or [MICI@iadb.org](mailto:MICI@iadb.org), or calling +1(202) 623-3952.