

# Brazil: Climate action – EIB supports construction of water infrastructure in state of Minas Gerais

- EIB investment of EUR 145m will finance new wastewater treatment plants and the extension of water supplies
- Water supply to around 140 000 unconnected households
- Sanitation infrastructure, including collection and treatment of wastewater, for an additional 300 000 households
- The project will contribute to reducing greenhouse emissions and to promoting climate resilience investments

The European Investment Bank (EIB) will provide EUR 145m to Companhia de Saneamento de Minas Gerais (COPASA), the water utility company in the State of Minas Gerais (Brazil), to improve the water supply, sanitation coverage and treatment both in terms of drinkable water and wastewater. The agreement is supported by the External Lending Mandate for Latin America 2014-2020 and contributes to the fulfilment of the Framework Agreement between Brazil and the EIB.

In concrete terms, the EIB investment will finance the construction of new wastewater treatment plants and the extension of the water supply to roughly 140 000 unconnected households, while refurbishing pumping stations and water-related infrastructure. Moreover, it is estimated that 700 000 Brazilians will benefit from improved sanitation infrastructure, including collection and treatment of wastewater. As part of this agreement, COPASA will also build a water supply system for the city of Montes Claros focused on easing water stress in the region.

EIB Vice-President **Emma Navarro**, responsible for EIB operations in Latin America and the Bank's climate action, said: "I am delighted to sign the first water and sanitation project financed by the EU bank in Brazil. Today's deal will improve the quality of life of the people of Minas Gerais and highlights the EIB's commitment to promoting environmentally sustainable projects that also create jobs. Moreover, this project is perfectly in line with the UN Sustainable Development Goals as it targets clean water and sanitation in developing regions."

**Carlos Augusto Botrel Berto**, CFO and Investor Relations Director of COPASA, stated: "We are very pleased with this new financial agreement signed with the European Investment Bank. This new loan will allow COPASA to improve water supply and sewage services in several municipalities of Minas Gerais".

## **The EIB and the climate crisis**

The EIB is among the world's largest multilateral providers of climate finance. The Bank's goal is to be a leader in mobilising the finance needed to keep global warming to under 2 °C and limit temperature rises to 1.5 °C to

meet the Paris Agreement objectives. On 14 November, the EIB Board of Directors approved its new climate objectives and the new energy lending policy. The Bank will gradually increase its financing for climate and environmental objectives up to 50% by 2025, to ensure that the EIB Group mobilises at least EUR 1tn by 2030 to promote investments helping to meet these objectives. It also announced its intention to align all EIB Group activities with the Paris Agreement. To this end, the EIB will cease financing fossil fuel-based projects from late 2021.

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[Brazil: COP 25 – EIB to increase cooperation with public promotional bank of Minas Gerais](#)

[COP25 – EIB and Iberdrola sign two financing agreements for EUR 690m for renewable energy projects in Brazil and new digitalisation of electrical networks](#)

[Brazil: EIB provides EUR 100m to boost climate action investments in Minas Gerais](#)

[Climate action in Latin America: EIB and EDPR support the development of renewable energy in Brazil](#)