DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

REGIONAL

STRATEGIC INTEGRATION OF LAND USE, URBAN MOBILITY, AND TRANSIT-ORIENTED DEVELOPMENT (TOD) TO PROMOTE SUSTAINABLE URBAN DEVELOPMENT IN BRAZIL AND MEXICO

(RG-T4908)

PROJECT DOCUMENT

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PROJECT SUMMARY	
Operation Type:	Technical Cooperation
Sector:	URBAN DEVELOPMENT AND HOUSING
Subsector:	SUSTAINABLE CITIES
TC Taxonomy:	Client Support
Project Number under the Operational Support Taxonomy:	N/A
Technical Responsible Unit:	CSD/HUD-Housing & Urban Development
Unit with Disbursement Responsibility (UDR):	CSD/HUD-Housing & Urban Development
Executing Agency:	Inter-American Development Bank

PROJECT OBJECTIVE

This TC aims to promote sustainable, inclusive, and climate-responsive urban development in Brazil and Mexico by advancing integrated land-use planning strategies aligned with urban mobility systems. The TC will support the design and early-stage implementation of approaches such as sustainable TOD and integrated urban development frameworks that foster equitable access to daily services, employment, and social infrastructure.

FINANCIAL INFORMATION

Financing Type	**Fund**	**Amount in US$**
TCN - Nonreimbursable	KPK - Knowledge Partnership Korea Fund for Technology and Innovation	600,000
	Total IDB Financing	**600,000**
	Counterpart Financing	**0**
	Total Project Budget	**600,000**
Donors:	N/A	
Disbursement Period:	36 months	
Execution Period:	36 months	

ADDITIONAL FINANCIAL INFORMATION

N/A

I. JUSTIFICATION AND OBJECTIVE

1.1 **Diagnostic.** Brazil and Mexico, the two most populous and economically significant countries in Latin America and the Caribbean (LAC), are among the most urbanized nations in the developing world, with urbanization rates above 87% and 80%, respectively. Together, they account for more than 300 million urban residents and a substantial share of the region's Gross Domestic Product (GDP), making their urban development trajectories central to LAC's sustainability and competitiveness.[1]

1.2 Despite sustained investments in mass transit systems —including metro, bus rapid transit (BRT), rail, and cable cars— urban growth in both countries continues to be marked by unsustainable spatial expansion, increasing car dependency, and persistent socio-spatial inequality. Weak integration between land-use planning and mobility investments has contributed to sprawling and inefficient metropolitan forms. In major cities, average commuting times exceed 90 minutes, household transport expenditures consume up to 30% of income, and access to employment, education, and essential services remains highly unequal, disproportionately penalizing low-income and female-headed households.[2]

1.3 The persistent scarcity of affordable housing near transit corridors has reinforced peripheralization, residential segregation, and informal settlement growth. This reduces the capacity of mass transit investments to generate inclusive development outcomes. At the same time, the transport sector remains one of the fastest-growing sources of urban greenhouse gas (GHG) emissions and a major contributor to air pollution in major metropolitan areas, affecting both climate commitments and public health.[3]

1.4 Although Transit-Oriented Development (TOD) and integrated planning approaches have been introduced in select cities, their application remains uneven, weakly institutionalized, and often disconnected from zoning regulations, housing policy, land management, and sustainable financing mechanisms. This reflects a critical gap: the absence of a comprehensive cross-sectoral framework linking mobility investments to land-use regulation, housing policy, and urban development. This TC seeks to address that gap.

1.5 Brazil and Mexico have increasingly sought to address the challenges of urban sprawl, car dependency,[4] and fragmented growth through initiatives that promote stronger integration between mobility and land-use planning. In Brazil, metropolitan and medium-sized cities have developed a broad set of planning instruments and mobility investments that provide important entry points for advancing this agenda. However, implementation remains uneven, particularly at

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1 UNhabitat.org (Search: 02/23/2025).

2 IDB (2018) Sistemas de Transporte Urbano en América Latina y el Caribe: Lecciones y Retos.

3 de Lima, G.N., Fonseca-Salazar, M. & Campo, J. (2023) Urban growth and loss of green spaces in the metropolitan areas of São Paulo and Mexico City: effects of land-cover changes on climate and water flow regulation. Urban Ecosystem 26, 1739–1752.

4 Between 2003 and 2014, the urban population in the largest Brazilian cities increased by 21,3%, while the automobile fleet increased by 116%. *Associação Nacional de Transportes Públicos*, 2016.

the local level, due to regulatory misalignment,[5] limited institutional capacity, and persistent governance fragmentation.[6] In large metropolitan areas, instruments such as BRT systems, urban operations, intermodal terminals, and land value capture mechanisms coexist with rigid land-use regulations, weak metropolitan coordination, and unequal social outcomes. These constrain the capacity of mobility investments to guide integrated urban development patterns amid growing environmental and fiscal pressures.

1.6 Recent policy efforts have promoted better coordination between transport and land-use planning, including instruments and urban operations that require alignment across levels of government, incorporation into urban master plans, and sustained capacity-building for local governments. Nevertheless, socio-spatial inequalities persist. Higher-income groups often benefit disproportionately from transit-oriented investments, while low-income communities remain concentrated in peripheral areas with limited access to jobs, services, and high-quality public transport. At the same time, medium-sized cities offer more flexible conditions to pilot scalable mobility–land-use strategies. Their emerging polycentric structures, demand-responsive transport solutions, and growing investments in active mobility create opportunities to test integrated approaches that balance accessibility, sustainability, and territorial cohesion.

1.7 The Bank has actively supported Brazil's urban development agenda through operations and analytical work on integrated urban development, climate resilience, sustainable mobility, and transit-oriented development.[7] This support has helped cities design integrated, resilient urban projects to improve living conditions for low-income and vulnerable populations while promoting more sustainable, inclusive urban growth. It has also generated evidence on the links between urban form, transport emissions, and land-use efficiency across Brazilian metropolitan areas. These diagnostics and institutional partnerships provide the foundation for this TC, which aims to operationalize integrated mobility–land use strategies in selected Brazilian cities.

1.8 In Mexico, national policies promote urban densification and multimodal transport, particularly in Mexico City. However, subnational governments often lack the technical and financial capacity to implement integrated land-use and mobility strategies. These limitations are part of a broader pattern of unsustainable urban growth characterized by dispersed, fragmented, and low-density expansion, driven by weak territorial planning and governance. Between 1980 and 2017, urban land expanded at an annual rate of 5.4%.[8] more than double the population growth rate of 2.4%. This resulted in an urban expansion elasticity of 2.3, well above

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5 Instituto de Pesquisa Econômica Aplicada (IPEA), Mapeamento e Diagnóstico dos Planos de Mobilidade Urbana no Brasil (Brasília: IPEA, 2022). Fewer than 30% of eligible municipalities had fully approved mobility plans as of 2022.

6 Vasconcellos, Urban Transport Environment and Equity (Earthscan, 2014); Luchetti et al., Revista de Administração Pública 55(4) (2021): 813–835. On disconnect between zoning codes and transport corridor planning.

7 Through several technical cooperations — including ATN/CV-21833-BR, ATN/PI-19315-BR, and ATN/TC-17149-BR — as well as operational guidelines and tools, the Bank has supported cities in advancing the implementation of integrated mobility and land-use planning approaches.

8 ONU-Hábitat; INFONAVIT; SEDATU (2019). Reporte Nacional de Prosperidad Urbana en México. Índice de las Ciudades Prósperas (CPI).

recommended thresholds.[9] Average urban densities, estimated at 4,380 inhabitants/km²,[10] remain significantly below international benchmarks, reinforcing inefficient land use and peripheral expansion.

1.9 This growth increases travel distances, reduces the viability of mass transit systems, and depends on inequalities between central and outer municipalities. In peripheral areas, lower densities constrain access to formal public transport and increase reliance on informal or less efficient services. Urban expansion also generates environmental pressures, including the loss of ecosystem services, reduced aquifer recharge, and greater exposure to urban heat. Recent federal rail investments have further highlighted persistent governance gaps in integrating mobility, housing, and metropolitan planning. These structural challenges are intensified by rapid motorization, with vehicle fleets increasing by 260% between 2000 and 2022, and by rising transport emissions, which the sector accounts for 23% of national GHG emissions.[11]

1.10 Since 2016, the Bank has supported Mexico's *Secretaría de Desarrollo Agrario, Territorial y Urbano* (SEDATU) through policy-based loans and technical cooperations aimed at strengthening territorial governance and advancing national urban policy frameworks. An initial series of consecutive operations helped establish the normative, institutional, and technical foundations of Mexico's national land-use and urban development policy, while progressively consolidating SEDATU's role as the national authority for territorial planning.[12] Building on these foundations, a second programmatic series of policy-based loans has supported structural reforms at the intersection of mobility, road safety, and land-use planning. This support has helped establish the regulatory and institutional conditions needed to articulate these sectors under a unified policy framework. The Bank is now preparing the second operation of this series, following a clear programmatic sequence: the first operation introduced enabling structural reforms, while the second will focus on implementation by supporting coordination between mobility and land-use planning, scaling transit-oriented development approaches, and strengthening metropolitan governance capacities.

1.11 Despite increased transit investment, Brazil and Mexico lack cohesive, operationally grounded frameworks that effectively align land-use planning, housing policy, and mobility within long-term urban development strategies. Key barriers include: (i) fragmented governance across municipal, metropolitan, and national levels; (ii) outdated zoning and land-use regulations that fail to incentivize density and mixed use around transit stations; (iii) limited technical capacity for station-area planning and corridor-level spatial design; and (iv) uneven adoption and weak enforcement of financing instruments such as land value capture (LVC)

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9 ONU Hábitat, INFONAVIT, SEDATU (2019). Reporte Nacional de Prosperidad Urbana en México. Índice de las Ciudades Prósperas (CPI).

10 Banco Interamericano de Desarrollo (2016). Guía Metodológica del Programa de Ciudades Emergentes y Sostenibles: Tercera edición: Anexo de indicadores. https://doi.org/10.18235/0012703

11 SEDATU (2024). Política Nacional de Transporte Público Colectivo Urbano

12 Relevant Bank support includes the initial policy-based loan series for territorial and urban development, through operations 4535/OC-ME and 4954/OC-ME, and the second programmatic series of policy-based loans on mobility, road safety, and land-use planning, including operation 5825/OC-ME and technical cooperations ATN/CV-19351-ME and ATN/OC-20915-ME.

and public-private partnerships (PPPs). These structural gaps have constrained the transformative potential of transit investments and perpetuated inefficient, inequitable urban expansion patterns. International experience, particularly South Korea's systematic integration of transit expansion with station-area development, land readjustment, and land value capture mechanisms, offers highly relevant and adaptable lessons for operationalizing TOD in Latin American contexts. Rather than direct replication, this TC will draw on these experiences to support context-sensitive approaches to coordinated planning, regulatory reform, institutional strengthening, and sustainable financing in both Brazil and Mexico.

1.12 **Request.** Following the diagnosis presented above, this TC responds to a formal request from the governments of Brazil and Mexico to strengthen the integration of land-use planning and urban mobility, including TOD-related approaches, to improve urban livability, reduce spatial inequality, and advance climate-responsive urban development. The operation is classified as client support, with the beneficiary governments of Brazil and Mexico as primary counterparts and implementation focused on selected national and subnational authorities. The TC aligns with the ongoing policy dialogue between the Bank and the beneficiary countries, responds to identified knowledge and capacity gaps, and is not included in the CPD.

1.13 **Objective.** This TC aims to promote sustainable, inclusive, and climate-responsive urban development in Brazil and Mexico by advancing integrated land-use planning strategies aligned with urban mobility systems. The TC will support the design and early-stage implementation of approaches such as sustainable TOD[13] and integrated urban development frameworks that foster equitable access to daily services, employment, and social infrastructure.

1.14 By strengthening coordination among spatial planning, public transport systems, housing policy, and land-use regulation, the initiative will contribute to the development of compact, mixed-use, and well-connected urban environments. It will also promote integrated planning tools that combine land management, urban mobility, climate resilience, and gender-responsive design to improve land-use efficiency, enhance accessibility, and support the creation of livable, resilient neighborhoods.

1.15 The TC will produce technical guidelines, pre-feasibility studies in selected metropolitan areas, and structured knowledge-sharing activities to inform evidence-based policy design and investment decision-making at national and sub-national levels.[14] Drawing on a comprehensive sectoral diagnosis and informed by international best practices, including South Korea, the initiative will promote holistic land management solutions that integrate mobility, housing,

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13 TOD is defined by the IDB (2021) as a territorial strategy based on urban projects that link urban components with mobility systems to build more compact, environmentally friendly cities. It seeks to encourage the concentration of housing and socio-economic activities along public transport corridors and stations to promote urban development with higher building and population density.

14 The lessons from international experience, including South Korea, were applied and adapted selectively to the Brazilian and Mexican contexts. The Korea Research Institute for Human Settlements (KRIHS) will contribute its expertise by disseminating relevant Korean experience through research and targeted capacity-building activities.

mixed-use development, habitat, and public space design, in support of inclusive, productive, and environmentally sustainable urban growth.

1.16 **Complementarity.** This TC complements the Bank's ongoing and planned urban development and mobility interventions in Brazil and Mexico by providing the analytical, technical, and institutional foundations to integrate better land-use planning, housing policy, and mobility investments. In Brazil, the TC builds on the Bank's experience supporting urban mobility and metropolitan governance reforms in major cities (¶1.7). In Mexico, it leverages the ongoing engagement with SEDATU and the broader territorial governance agenda. By operationalizing integrated mobility–land use approaches, including TOD, the TC enhances the effectiveness, scalability, and sustainability of existing and future Bank-supported operations (¶1.10). By operationalizing integrated mobility-land-use approaches, including Transit-Oriented Development (TOD), the TC will strengthen the design, scalability, and sustainability of current and future Bank-supported operations. It will also help ensure that upcoming investments are evidence-based and aligned with the Bank's strategic priorities for inclusive, resilient, and low-carbon urban development.

1.17 **Strategic Alignment.** This operation aligns with the IDB Group Institutional Strategy: Transforming for Scale and Impact (CA-631) and the 2024-2030 Impact Framework (GN-3195-8) by advancing integrated land-use and urban mobility approaches that support inclusive, low-carbon, and sustainable urban development. The TC contributes to: (i) Social Inclusion and Equality by improving access to opportunities through TOD and integrated planning; (ii) Climate Change and Environmental Sustainability objectives by promoting compact, transit-oriented urban forms that reduce emissions and enhance resilience; and (iii) Institutional Capacity and Rule of Law by building national and subnational governments' ability to design and implement coordinated land-use and mobility frameworks, in line with the Bank's focus on sustainable regional growth. It also supports the Housing and Urban Sector Framework (GN-2732-11), the Brazil Country Strategy 2024–2027 (GN-3070) particularly with Pillar 1: Enabling the Green Transition and Strengthening Climate Resilience, by promoting compact, transit-oriented urban development that reduces emissions and builds inclusive and resilient cities, and Pillar 3: Advancing a New Social Agenda to Promote Prosperity and Inclusion, by improving equitable access to services and opportunities for vulnerable populations through integrated urban mobility planning, and the Mexico Country Strategy 2026–2031 (GN-3317), particularly with Pillar 2: Provision of Social Services and Pillar 3: Resilience, by: (i) promoting equitable and sustainable access to essential services through improvements in safe and accessible urban mobility, particularly benefiting vulnerable populations; (ii) fostering an enabling environment for public and private investment by strengthening regulatory frameworks and intergovernmental coordination; and (iii) advancing more balanced and sustainable regional and metropolitan development through the integration of planning with transport and climate resilience policies. The operation is also aligned with the Korea Fund for Partnership of Knowledge Building on Technology and Innovation (KPK) by promoting the dissemination of Korean best practices and technical knowledge to strengthen innovation, digital capacity, and integrated urban planning in the Bank's borrowing member countries.

II. COMPONENTS

2.1 **Component 1. Policy and Regulatory Framework for Integrated Mobility-Land Use Development (US$120,000).** This component will develop context-sensitive policy and regulatory guidelines at the national, metropolitan, and municipal levels to support the integration of mobility and land-use planning. Activities will include: (i) assessing existing land-use regulations, zoning frameworks, institutional coordination arrangements, land availability, infrastructure capacity, and municipal fiscal instruments affecting Transit-Oriented Development (TOD) and compact urban development; (ii) developing policy guidelines with proposed regulatory adjustments, governance arrangements, and investment and financing tools (including land value capture and public-private partnerships) to promote compact, mixed-use development around transit corridors and mobility systems; and (iii) identifying priority policy actions and enabling conditions to support the integrated mobility-land use approaches and inform the selection of pilot interventions under Component 2. These activities will also define methodological criteria and analytical frameworks for preparing municipal-level action plans in station areas. This will include guidance on delimitation areas of influence, aligning planning instruments, and linking regulatory frameworks and urban management tools.

2.2 **Component 2. Integrated Mobility-Land Use Pilot Intervention and Feasibility Studies (US$400,000).** This component will finance consultancies and technical assistance to operationalize the integrated mobility–land use framework through pilot interventions in selected metropolitan areas and cities in Brazil and Mexico.[15] Applying TOD principles, the component will support the identification, design, and preliminary assessment of integrated interventions in transit and node corridor influence areas. These interventions will aim to improve accessibility and promote inclusive, safe, and spatially efficient urban development.[16] Activities may include: (i) spatial, land-use, and regulatory diagnostics in selected pilot areas; (ii) mobility and accessibility diagnostics, focusing on the physical and operational integration of mass transit systems with local mobility networks; (iii) design of integrated mobility–land use pilot interventions, including the preparation of municipal-level action plans and work programs; (iv) analysis to delimit areas of influence and identification of priority interventions, including indicative investment packages and potential financing frameworks; (v) institutional, environmental, and social analyses, including safeguards and socio-economic assessments; and (vi) targeted technical assistance required to advance the preparation of pilot oriented interventions. These activities will help link planning and regulatory instruments with urban management tools, while guiding investments that improve

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15 Municipalities benefiting from the TC will be identified based on criteria such as strategic relevance, urban development pressures, institutional readiness and commitment, availability of planning instruments, and potential replication and scaling. Eligible municipalities may include those that meet following criteria: (i) have a population above 100,000 habitants and/or be part of a metropolitan region and/or regional strategic municipality; (ii) have an approved urban master plan and/or adopted urban mobility plans; (iii) have urban development and sustainable mobility project initiatives under design and aligned with the objectives of this TC; and (iv) provide the corresponding request communication and non-objection communication from the Banks official liaison entity in Brazil.

16 Gender and diversity considerations will be incorporated throughout the analysis and design processes.

accessibility, strengthen integration with local mobility systems, and respond to local economic and territorial dynamics.

2.3 **Component 3. Institutional Capacity and Dissemination (US$80,000).** This component will support institutional capacity strengthening, knowledge exchange, and dissemination on integrated mobility-land use approaches. It will ensure that the analytical and operational outputs of Components 1 and 2 are captured and shared to support broader replication. Activities will include: (i) an international workshop in a hybrid format, convening national and subnational policymakers, urban practitioners, and international experts, including South Korea, to share experience and discuss governance, financing and implementation challenges related to TOD, mobility system, urban development and integrated land-use planning; (ii) an in-person study visit to South Korea, to be organized in collaboration with the Korea Research Institute for Human Settlements (KRIHS), [17] to allow selected counterparts from Brazil and Mexico[18] to learn from Korea's experience in integrating transit expansion with land development, station-area planning, and land-based financing mechanisms; and (iii) knowledge dissemination activities, including a synthesis report and practical guidance materials summarizing lessons learned from the policy framework and pilot interventions, as well as outreach through the Inter-American Development Bank's Urban Development and Housing blog and other Bank knowledge platforms.

2.4 **Expected Results**. The execution of the Technical Cooperation (TC) will generate installed capacity and verifiable technical instruments to strengthen integrated land–use planning for mobility in line with TOD principles in Brazil and Mexico. By the end of the program, it is expected to deliver: (i) two policy and regulatory diagnostics (one per country) assessing land-use regulations, zoning frameworks, institutional coordination mechanisms, and municipal fiscal instruments, together with one Implementation and Management Plan identifying priority policy actions to advance TOD and integrated mobility–land use approaches; (ii) technical pre-feasibility studies and master plans prepared for integrated mobility–land use pilot interventions in selected metropolitan areas, linking transit investments with land-use regulation, public space improvements, housing strategies, and preliminary financing frameworks for future Bank-financed operations; (iii) strengthen technical capacities of national and/or subnational institutions in Brazil and Mexico for the design and preparation of integrated mobility–land use interventions, including TOD pilot projects; and (iv) capacity-building and knowledge-dissemination events delivered to national, metropolitan, and municipal officials, consisting of an international knowledge-sharing workshop and technical visit to South Korea.

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17 Established in 1978, KRIHS is Korea's leading national think tank on territorial planning, urban policy, housing, infrastructure, and land development. Given its institutional role and specialized expertise in Korea's urban development, mobility integration, and TOD policy experience, KRIHS is uniquely positioned to design and deliver this knowledge-sharing program and translate Korea's lessons into practical insights for Brazil and Mexico.

18 Participants will be selected among director or senior level officials from national and subnational governments, based on their institutional roles and technical responsibilities related to urban development, mobility, land-use planning, housing, and infrastructure finance. Participants are expected to support the implementation and replication of integrated mobility–land use approaches within their respective institutions and beneficiary countries.

2.5 **Beneficiaries.** The direct beneficiaries are national and subnational government institutions in Brazil and Mexico responsible for urban development, mobility, housing, and territorial planning.[19] Metropolitan planning authorities, transport agencies, and municipal governments involved in urban planning and project preparation will benefit directly from strengthened technical capacity, improved planning tools, and enhanced institutional coordination mechanisms. The final beneficiaries include municipal technical staff and urban residents in the selected metropolitan areas, particularly low-income and transit-dependent populations, who are expected to benefit from improved accessibility, more inclusive urban development patterns, and better access to employment, services, and social infrastructure as integrated mobility–land use approaches are progressively implemented.

III. BUDGET

3.1. **Budget.** The total cost of the TC is US$600,000, financed by the Korea Fund for Partnership of Knowledge Building on Technology and Innovation (KPK).

Indicative Budget

Activity/Component	IDB KPK (US$)	Total Funding (US$)
Component 1. Policy and Regulatory Framework for Integrated Mobility-Land Use Development	120,000	120,000
Component 2. Integrated Mobility-Land Use Pilot Intervention and Feasibility Studies	400,000	400,000
Component 3. Institutional Capacity and Dissemination	80,000	80,000
Total	**600,000**	**600,000**

IV. EXECUTION STRUCTURE

4.1 **The IDB as Executing Agency.** The TC will be executed by the Inter-American Development Bank (IDB), in accordance with the guidelines and requirements set out in the policy on Technical Cooperation (GN-2470-2) and in the Operational Guidelines for Technical Cooperation Operations and Related Matters (OP-619-4). CSD/HUD will be responsible for the technical supervision and administration of TC's activities. Given the multi-country and multi-sectoral nature of the intervention, combining under planning, mobility, and municipal finance, and the focus on institutional strengthening at the municipal level, implementation will require close coordination and consensus-building among multiple stakeholders and relevant units within the Bank, in line with the beneficiaries' requests. In addition, some beneficiary institutions face institutional and procedural requirements associated with the implementation of international technical

[19] At present, in Brazil, one municipality was identified and has formally requested the TC: Curitiba. Any additional municipalities to be supported by this TC will be selected and defined in accordance with the criteria established in Component 2, subject to resource availability. In Mexico, the beneficiary would be SEDATU, which will support states and municipalities that are part of the federal government's strategic plans.

assistance activities. Accordingly, the Bank will act as executing agency to facilitate coordination among national and subnational institutions in Brazil and Mexico, as well as international technical collaboration with Korean Isntitutions. Bank execution will help ensure neutral coordination, technical consistency and effective implementation of project activities across participating institutions and countries.

4.2 **Institutional Capacity.** Since the IDB will serve as the executing agency for this Technical Cooperation, the institutional capacity assessment concludes that the necessary administrative, technical, and fiduciary structure is in place to ensure the achievement of the expected objectives. The fiduciary management risk is rated low, as procurement and disbursement processes will be carried out in full compliance with the Bank's regulations, systems, and internal controls.

4.3 **Procurement**. All procurement to be executed under this Technical Cooperation have been included in the Procurement Plan (Annex IV) and will be hired in compliance with the applicable Bank policies and regulations as follows: (a) Hiring of individual consultants, as established in the regulation on Complementary Workforce (AM-650) and (b) Contracting of services provided by consulting firms in accordance with the Corporate procurement Policy (GN-2303-33) and its Guidelines.

4.4 **Non-Competitive Method: Single Source Selection.** Regarding Component 3, the project team will request approval for the Direct Contracting (DC) of the KRIHS to design and deliver capacity-building and knowledge-dissemination activities on integrated mobility–land-use development and TOD. KRIHS is Korea's leading national think tank on territorial planning, urban policy, housing, infrastructure, and land development, and has played a key role in informing Korea's urban and territorial development policies. KRIHS is the only institution that qualifies for this assignment, given its unique mandate, specialized expertise, and direct access to Korea's policy experience, experts, and institutional networks in integrated land use, urban development, mobility planning, and TOD. The institution will be hired through the DC method since the contract complies with the exclusive conditions set out in policy GN-2303-33 (paragraph 3.4): b) For small assignments with an estimated value which shall not exceed US$50,000. Any increases in total value shall consider this same threshold; d) When it can be objectively demonstrated that only one Vendor is qualified or has experience of exceptional worth for the assignment, and it presents a clear advantage over competition.

4.5 **Execution and Disbursement Period.** The execution and disbursement period for this TC is 36 months, consistent with the Result Matrix and the Procurement Plan.

4.6 **Monitoring, Reporting, and Supervision.** The CSD/HUD team leader will supervise and execute this TC, working closely with IDB's Country Offices. Disbursements will be made from the IDB Headquarters, with the support of the IDB's Administrative Services and Corporate Procurement Division. Progress will be monitored in accordance with the approved Results Matrix and Procurement Plan. This TC will follow the Bank's standard monitoring and reporting procedures for technical cooperation operations, including the preparation of Technical Cooperation Monitoring Reports (TCM). Supervision activities may include

periodic progress reviews and coordination meetings with relevant counterparts. It will be conducted annually in accordance with the Bank's TC reporting procedures and will not require additional funding.

V. POTENTIAL RISKS

5.1 One potential risk is that the guidance document on integrated mobility-land use approaches, including TOD principles, may not be adopted by national and sub-national governments. This risk will be mitigated through targeted dissemination and engagement with municipal stakeholders to demonstrate practical application and financing options.

5.2 Another identified risk is that the selected municipalities may not implement the pilot project design. Mitigation measures include tailored technical assistance and one-on-one support to strengthen municipal capacity and ownership.

5.3 A further risk is the potential lack of data and information required to conduct the necessary analyses and technical studies. To address this risk, consultants will expect to utilize public databases available at both national and municipal levels. In addition, periodic meetings will be promoted with the municipalities involved to resolve the consultants' information requirements.

5.4 In the case of Mexico, the Bank's collaboration with SEDATU to develop the urban agenda in Mexico is a long-term partnership. Given the nature of the proposed activities, the primary identified risk concerns time management and procurement. To mitigate this risk: (i) high-level consultancies with the capacity for rapid mobilization will be hired; and (ii) support will be provided by consultants who: (a) contribute to the institutional strengthening of SEDATU; (b) ensure the proper and timely delivery of inputs; and (c) effectively monitor the implementation of planned activities.

5.5 **Intellectual Property.** In accordance with the Bank’s intellectual property policy (AM-331), any knowledge products generated within the framework of this technical cooperation will be the property of the Bank and may be made available to the public under a creative commons license. However, upon request of the beneficiary, the intellectual property of said products may also be licensed and/or transferred to the beneficiary through specific agreements.

VI. EXCEPTIONS TO BANK POLICIES

6.1 No exceptions to Bank Policies are anticipated under this TC.

VII. ENVIRONMENTAL AND SOCIAL ASPECTS

7.1 This TC is intended to finance prefeasibility or feasibility studies of *Strategic Integration of Land Use, Urban Mobility, and Transit-Oriented Development (TOD) to Promote Sustainable Urban Development in Brazil and Mexico* that include environmental and social studies. In accordance with Bank’s Environmental and

Social Policy Framework, the terms of reference and outputs of these studies should be consistent with the applicable requirements of the Bank's Environmental and Social Performance Standards.

REQUIRED ANNEXES:

- Annex II: Results Matrix
- Annex III: Terms of Reference
- Annex IV: Procurement Plan
