

TC Document

I. Basic Information for TC

▪ Country/Region:	BRAZIL
▪ TC Name:	Support for the development of the reconstruction plan for the State of Rio Grande do Sul
▪ TC Number:	BR-T1620
▪ Team Leader/Members:	Damiani Marti, Octavio Jorge (CSD/RND) Team Leader; Maria Cristina Mac Dowell (IFD/FMM) Alternate Team Leader; Suarez Vazquez, Gines (CSD/RND) Alternate Team Leader; Escovar Bernal, Maria Alejandra (CSD/RND); Mendes Dias, Joao Paulo (CSC/CDR); Lauar Moura, Vanessa (CSC/CDR); Gonzalez, Jorge Luis (VPC/FMP); Osorio Urzua, Claudio Andres (CSD/RND); Lazo, Juan Carlos (VPC/FMP); Celeste Marzo, Cristina (LEG/SGO); Bujak, Nicolas (VPS/ESG); Chavez, Elizabeth (CSD/RND)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	14 May 2024.
▪ Beneficiary:	Federal Government of Brazil, the Government of Rio Grande do Sul
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 - Sustainability(W2A)
▪ IDB Funding Requested:	US\$450,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	24 months
▪ Required start date:	June 2024
▪ Types of consultants:	Individual Consultants & Firms
▪ Prepared by Unit:	CSD/RND-Env, Rural Dev & Disaster Risk
▪ Unit of Disbursement Responsibility:	CSC/CDR-Country Office Brazil
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Institutional Strategy of the IDB Group: Transformation for a Greater Scale and Impact (CA-631):	Afro-descendants; Diversity; Environmental sustainability; Gender equality; Indigenous People; Institutional capacity and rule of law; Social inclusion and equality

II. Objectives and Justification of the TC

- 2.1 The objective of this TC is to "support the government of the State of Rio Grande do Sul (RS) in the development of a multisectoral plan that contributes to a resilient reconstruction after the severe floods of May 2024".
- 2.2 Out of 180 countries analyzed for 2019, Brazil is the 27th with the highest climate risk index ([Germanwatch, 2021](#)). The analysis of the Digital Atlas of Disasters in Brazil ([National Secretariat of Protection and Civil Defense, 2024](#)) for the period 1990-2021 shows that droughts are the most frequent event (47% of records), but floods¹ generate greater economic losses (33% of losses). Of the 26 states that recorded flood

¹ This concept includes Enxurradas, Inundações and Chuvas Intensas.

disasters in this period, RS is the seventh with the highest losses, with a cumulative value of R\$4.578 billion (US\$845 million constant 2021 values).

- 2.3 The city of Porto Alegre, the capital of the state and largest population center of RS, and several of the main municipalities make up a metropolitan area with more than 4 million inhabitants located in the Jacuí delta, where 5 rivers converge (whose contributing basin has an area of about 100,000 km²) and where two important navigable lakes -Lake Guaíba and Lagoa dos Patos- are located (Allasia et al., 2015). This location contributes to flooding risk in this area, due to the interaction between rainfall, rivers and bodies of water, and the storm surge induced by southeast winds, highlighting the historic floods of 1941 and 1967 (Allasia et al., 2015). To protect the city of Porto Alegre and the surrounding municipalities, major hydraulic works were carried out in the 1970s, including 66 kilometers of dikes and a wall on the banks of the Maúa River that runs through the city center, works that have contributed to reducing the frequency of flooding (Allasia et al., 2015). However, four of the five largest floods recorded since 1941 in Guaíba occurred in the last eight years, and during 2023 RS suffered a major flood event ([Montichele, 2024](#)).
- 2.4 Since April 24, 2024, heavy rains have been recorded in the interior of RS, aggravated by the El Niño phenomenon, which led to floods that have affected more than two-thirds of the municipalities of the state of RS, impacting the main cities such as Porto Alegre, Santa Maria, Caxias do Sul, Passo Fundo, and Pelotas. This event has caused human damage, with loss of life, missing persons, and material and environmental damage, including the destruction of homes, roads, and bridges. In addition, public water and energy services have been interrupted, and the functioning of local and regional public institutions has been compromised.
- 2.5 On May 1, the Governor of the State of Rio Grande do Sul, through Decree [No. 57,596](#), declared a state of public calamity in the territory affected by the heavy rains. Subsequently, on May 4, the Governor reiterated the state of public calamity through Decree [No. 57,600](#), specifying the municipalities affected by the heavy rains.
- 2.6 According to the [report delivered by the Civil Defense of the State of Rio Grande do Sul](#), as of May 23, 2024, floods have affected 468 municipalities in the state, representing 94% of RS municipalities. In addition, 163 deaths, 806 injured, 81 missing people, 581,643 homeless people, and 65,762 people in shelters are reported. The number of households in the State of RS that were affected by the flood, according to estimates by the [Federal University of Rio Grande do Sul](#), is 252,000, 96% of which are in the Porto Alegre metropolitan region. Although there are no reports yet on the figures disaggregated by gender due to the emergency, there have been severe impacts on women and minority groups, mainly complaints of gender-based and sexual violence in shelters during emergency response ([Reinholz, 2024](#)). Vulnerable groups were highly impacted by floods in RS. At least 2,500 quilombolas communities suffered severe damage in the state, affecting also their access due to flooded roads, and in many cases leading to temporary displacement. Other vulnerable communities of local fishermen and rural farmers suffered the disruption of their productive activities, as well as povos ciganos, pomeranos and de terreiro and local indigenous groups (Charrua, Kaingang, Mbyá-Guarani e Xokleng) ([Santos, 2024](#)).
- 2.7 The situation is severe and requires a coordinated response to mitigate the effects of the disaster and provide support to affected communities. In this context, it is essential that the planning of reconstruction after floods in the State of RS is carried out with a resilience approach, integrating flood risk reduction and applying build-back better

principles to reduce the impact of future events, considering that it is foreseeable that these events will be more frequent and severe due to Climate Change. On the other hand, this risk reduction should not be based solely on an engineering works approach, but on understanding the logic of livelihoods and strategies for increasing the resilience of the population, with a gender approach and integrating the most vulnerable groups, an analysis that must be carried out from the reconstruction planning. This TC is proposed precisely to support the State of RS in this resilient planning.

- 2.8 The main beneficiaries of this TC will be the Federal Government of Brazil, the Government of Rio Grande do Sul, and municipalities that reported damages and losses after the flooding events in 2024. The direct beneficiaries will be individuals or communities from Rio Grande do Sul who experienced recurring damage and loss from extreme weather events which will benefit from resilient planning for the reconstruction of the state's infrastructure and disaster risk management system.
- 2.9 The TC is consistent with the IDB Group's Institutional Strategy (2024-2030): Transformation for Greater Scale and Impact (CA-631) and aligns with the objectives of: (i) reducing poverty and inequality; and (ii) addressing climate change given that: (i) the integration of the resilience approach into reconstruction planning will contribute to reducing the impact of floods on vulnerable populations and (ii) the measures that will be designed to reduce disaster risk will contribute to adaptation to climate change. The Program also aligns with the following operational focus areas: (i) biodiversity, natural capital, and climate action; (ii) gender equality and inclusion of diverse groups of the population; and (iii) institutional capacity, rule of law and citizen security. The TC is aligned with Brazil's Country Strategy (GN-2973-2 CII/GN-403-2) objective (1.3) to narrow infrastructure gaps, and with the crosscutting support for challenges relating to (b) environmental sustainability and climate change and the OC Strategic Development Program Window 2 – Climate Change and Environmental Sustainability (W2A). This TC is consistent with the Bank's Disaster Risk Management Policy (GN2354-5), the Environmental and Social Policy Framework (ESPF; GN-2965-23), and the Climate Change Sector Framework Document (GN-2835-13) through the generation of information and the provision of technical advice to strengthen the capacity for climate change adaptation in Rio Grande do Sul. The TC will support the adaptation and climate-resilient goals of the IDB Group "Paris Alignment Implementation Approach" (PAIA), the Bahamas Resolution of 2016 (Resolution AG-6/16 and CII/AG-2/16 Increasing), and the Bank's Sustainable Infrastructure for Competitiveness and Inclusive Growth document.

III. Description of activities/components and budget

- 3.1 **Component 1. Studies to design flood control interventions that contribute to resilient reconstruction (US\$150,000).** Individual firms and consultants will be funded to support the RS State Government with studies to characterize the event that generated the disaster, estimate the probable losses from this and other potential events, and identify risk reduction measures that can be integrated into the reconstruction plan. The main product expected from this component is the Failure Mode Workshop, which will qualitatively assess the risk drivers and provide recommendations for a resilient reconstruction. The main objective of this component is completing the risk identification to understand the drivers that increased the risk conditions and define alternatives to mitigate those risks.

- 3.2 **Component 2. Design plans for resilient reconstruction of flood-affected sectors, such as water and sanitation, transport, health, and education (US\$150,000).** For the main sectors affected by the floods, consultancies by firms and individual consultants will be funded to develop reconstruction plans that integrate disaster risk analysis to help make new investments resilient to future flooding events. This component will deliver specific recommendations with a sector-based approach, following the Sendai Framework for Disaster Risk Reduction principles. The plans will include an analysis of the sectorial needs considering disaggregated data on gender and diversity population, a cost-benefit analysis to complete the prioritization of investments, and datasheets of the selected works (including a description, a budget and a preliminary analysis of social and environmental conditions). The precise contracts will be defined once the damage and loss assessment (DaLA) elaborated by the ECLAC and IDB in June 2024 is completed with the recommendations for resilient reconstruction. The DaLA assessment has been developed in parallel to the approval of this TC.
- 3.3 **Component 3. Develop a comprehensive plan for resilient reconstruction including gender and diversity considerations (US\$150,000).** The Government of RS will be supported by individual consultants to develop a resilient reconstruction plan after the disaster caused by the rains of May 2024. Following the results of the sectoral plans from Component 2, this component will prepare a multisectoral resilient reconstruction plan. The precise contracts will be defined once the damage and loss assessment (DaLA) elaborated by the ECLAC and IDB is completed with the recommendations for the resilient reconstruction. The results from the DaLA assessment will be available in July 2024. A specific chapter of the impacts on gender and diverse populations will be included in the DaLA and reconstruction plan documents.

IV. Indicative budget

- 4.1 The total estimated cost for the CT is US\$450,000 (four hundred and fifty thousand dollars), Financed with Ordinary Capital (OC-SDP) from the Strategic Program for Development, Window 2 Sustainability (W2A). No local counterpart is expected.

Indicative Budget

Activity/Component	Description	IDB/Fund Funding	Total Funding
Component 1	Individual Consultants & Firms	150,000	150,000
Component 2	Individual Consultants & Firms	150,000	150,000
Component 3	Individual Consultants & Firms	150,000	150,000
Total		450.000	450.000

V. Executing agency and execution structure

- 5.1 At the request of the Government of the State of RS, the Bank, through the Division of Environment, Rural Development and Disaster Risk Management (CSD/RND), will be the executing agency of the TC. This request is based on the Bank's knowledge of the technical aspects of the consultancies, on the preparation of the specialized terms of

reference, as well as to carry out the technical support of the consultancies and the review of the expected products.

- 5.2 The Bank will execute the TC in close coordination with the State of RS and the Federal Government of Brazil, through continuous communication, periodic working meetings, review, and mutual agreement of the terms of reference for the contracting of studies, and joint supervision of the activities, reports, and products of the consultants. As part of the rolling out of the TC, the team prepared a special mission to Porto Alegre to coordinate activities with other partner institutions working on the resilient reconstruction plan for Rio Grande do Sul, including the World Bank and ECLAC, which will complete the Damage and Loss Assessment (DALA). Other institutions such as the Federal University of Rio Grande do Sul, and the federal and local authorities will participate in the Failure Mode Workshop of Component 1.
- 5.3 The Bank will only hire consulting services of an intellectual nature, not goods or works. The Bank will provide the appropriate justification for each contract, considering also that the counterpart is undergoing through an emergency response.
- 5.4 The UDR will be located at the Bank's COF in Brazil. The focal point in the representation will be a CSD/RND Sector Specialist assigned to the Representation. The CSD/RND Risk Management Specialist assigned to Brazil will be responsible for implementation.
- 5.5 This execution is based on Annex 10 of the operational guidelines for technical cooperation products (GN-2629-1) because of the technical and operational limitations of the Beneficiaries for the supervision of the planned studies.
- 5.6 The activities to be executed as part of this operation are included in the Procurement Plan and will be contracted in accordance with Bank policies as follows: (i) AM-650-420 for Individual consultants; (ii) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature; and (iii) GN-2303-28 for logistics and other related services. The execution and disbursement period are expected to be no longer than 24 months. On November 22, 2023, the Board of Executive Directors approved the "IDB Corporate Procurement Policy" (GN-2303-33). This policy will come into effect on July 1, 2024. This new policy replaces the current policies contained in documents GN-2303-28 and GN-2765-4. Therefore, starting July 1, 2024, all contracting of consulting firms and logistical services and other services different from consulting will be conducted following this new Policy (GN-2303-33) and its associated guidelines.

VI. Major issues

- 6.1 In the context of emergency response, one of the important risks is the lack of coordination due to the large number of actors involved in the different actions. The Bank's implementation will contribute to reducing this risk, as the Bank plays a role as a facilitator of coordination between the various public and cooperating bodies.
- 6.2 Other risks identified for the design and elaboration stage of the reconstruction plans would be: (1) if the key actors of the State of RS and national institutions disagree with the solutions proposed for flood control in the region, these solutions would not be integrated into their advocacy strategies and investment plans, (2) if the institutions leading the post-disaster recovery in RS do not adopt the guidelines elaborated, it would not contribute to the development of flood control in the region and increasing

the resilience of these processes and (3) whether delays in the collection of information provided for in component 1 could affect the execution of the other two components.

- 6.3 To mitigate risk (1), two actions are proposed: (i) ensure that measures to reduce flood risk are based on a robust analysis of alternatives, based on objective metrics, and (ii) develop a participatory process with the institutions and actors of the ecosystem of the State of RS, to identify in a participatory way possible flood risk reduction measures.
- 6.4 To mitigate the risk (2), an inter-institutional commission will be created to validate the guidelines developed and ensure their institutionalization.
- 6.5 Risk mitigation (3) is achieved by involving the Federal University of Rio Grande do Sul, which has a research center dedicated to the knowledge of the terrain and published a [database and geographic information](#) on the impacts of the 2024 floods, which allows the collection of information to be streamlined given the knowledge of the university team of the local context.
- 6.6 The knowledge products, generated within the framework of this TC, will be the property of the Bank and may be made available to the public under a Creative Commons license. However, at the beneficiary's request, the intellectual property of said products may also be licensed to the beneficiary.

VII. Exceptions to Bank policy

- 7.1 There are no exceptions.

VIII. Environmental and Social Aspects

- 8.1 The Environmental and Social Impact Rating is "N/A", and the Environmental and Social Risk Rating is "Substantial". This Technical Cooperation is intended to finance pre-feasibility or feasibility studies of specific investment projects and the environmental and social studies associated with them; therefore, the terms of reference and products of this TC will be consistent with the applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF), in accordance with paragraph 4.9 of the ESMP Policy Statement.

Required Annexes:

[Request from the Client_18213.pdf](#)

[Results Matrix_64952.pdf](#)

[Terms of Reference_23143.pdf](#)

[Procurement Plan_47201.pdf](#)