

 Early Warning System

AIIB-000974

Brazil: Recovery and Trade-Facilitation Project in Guaiba, Rio Grande do Sul



### Quick Facts

Countries	Brazil
Specific Location	City of Guaiba, RS
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	A
Borrower	Municipality of Guaiba, Marcelo Maranata
Sectors	Construction
Investment Type(s)	Loan
Investment Amount (USD)	\$ 70.00 million
Loan Amount (USD)	\$ 70.00 million
Project Cost (USD)	\$ 70.00 million

## Project Description

### OBJECTIVE

To support the Municipality of Guaiba in the State of Rio Grande do Sul with post-flood reconstruction by rehabilitating and rebuilding critical trade-enabling infrastructure that strengthens connectivity with Asia and contributes to climate mitigation through low-carbon and sustainable urban investments.

### DESCRIPTION

This project is prepared alongside the Post-Flood Reconstruction Project in Cachoeirinha. In May 2024, devastating floods hit the State of Rio Grande do Sul in southern Brazil, causing extensive damage to infrastructure and displacing over 50,000 people. Municipalities of Guaiba and Cachoeirinha, located in the Porto Alegre metropolitan area, were particularly affected. Their economies are heavily dependent on international trade, particularly with Asia. The project aims to build back better damaged infrastructure, enhance flood resilience to prevent future flooding, and support infrastructure that will enable further trade-linked economic growth.

#### Municipality of Guaiba

The Resilient Guaiba program includes several components aimed at enhancing flood management and rebuilding critical urban and transport infrastructure. It will apply climate resilience standards and best practices and integrate nature-based solutions where possible. Based on the financing request, the program includes:

- A. Improving the Efficiency of Urban Drainage and Flood Protection (\$17.95 million)- improvement of existing flood protection infrastructure (e.g. dikes, pumps, water drainage system) and implementation of additional infrastructure to reduce flood risks.
- B. Construction of a Green Logistics and Industrial Area (\$13.00 million) - Infrastructure to support cross-border trade with Asia.
- C. Construction of urban infrastructure and transport access infrastructure (\$30.60 million) - rebuilding and expanding resilient transport and urban systems to improve access and connectivity.
- D. Climate Monitoring, Disaster Risk Management and Sanitation Improvement Program (\$4.70 million) - restoring basic infrastructure, implementing a climate monitoring program, and a risk management and emergency notification program.
- E. Program and Project Management (\$3.75 million) - Proportionally supporting all components.

Each component will be further defined during the Project's appraisal stage.

Guaiba (pop. 93,000 inhabitants) is one of the most industrialized municipalities in the state, with key sectors including cellulose processing (primarily for export to Asia), auto distribution, elevator manufacturing, and other industries.

While the Federal Government of Brazil allocated over USD 17 billion for recovery and reconstruction, significant gaps remain in the rehabilitation and reconstruction of damaged infrastructure. There is an urgent need to enhance climate resilience, improve disaster response, and ensure long-term sustainability.

### ENVIRONMENTAL AND SOCIAL INFORMATION

#### Applicable Policy and Categorization:

The Bank's Environmental and Social Policy (ESP) including the Environmental and Social Standards (ESSs), and the Environmental and Social Exclusion List (ESEL) will be applicable to this Project. An initial review has determined that ESS 1 (Environmental and Social Assessment and Management) is applicable for evaluating the environmental and social impacts of project activities. ESS 2 (Involuntary Resettlement) is also likely to be relevant, while ESS 3 (Indigenous Peoples) will not apply.



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### Investment Description

- Asian Infrastructure Investment Bank (AIIB)



### Contact Information

#### AIIB

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### ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>.

### ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides “an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB’s failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.” Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>.

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>.



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### Bank Documents

- [Project Summary \(June 6, 2025\)](#) [\[Original Source\]](#)