Early Warning System

AIIB-001153

Brazil: Porto Alegre - Connectivity and Climate Preparedness Program

Quick Facts

Countries	Brazil
Specific Location	Municipality of Porot Alegre
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	A
Borrower	Municipality of Porto Alegre
Sectors	Communications, Transport
Investment Type(s)	Loan
Investment Amount (USD)	$ 160.00 million
Loan Amount (USD)	$ 160.00 million
Project Cost (USD)	$ 160.00 million

Project Description

OBJECTIVE

The Project aims to enhance Porto Alegre's connectivity across the urban area, upgrading the transport and trade logistics network to build-back-better standards, reducing economic losses and socio-environmental impacts.

DESCRIPTION

In May 2024, the State of Rio Grande do Sul (RGS) experienced one of the most severe flood events in its history, affecting more than 2.3 million people and causing an estimated USD 17 billion in direct losses. The disaster exposed critical vulnerabilities in the Porto Alegre Metropolitan Region (PAMR), where extensive damage to transport, logistics, and urban infrastructure disrupted regional connectivity and economic activity. As the principal logistics hub of southern Brazil, Porto Alegre plays a strategic role in linking the state to national and international markets. The Project aims to safeguard both connectivity infrastructure and the continuity of the trade flows that depend on it, by reducing climate-related disruptions and recovery time.

The Program will consist of three components:

Component A -- Upgrading Connectivity related Infrastructure (USD 196 million)

Component B -- Management Innovation and Institutional Strengthening (USD 2 million)

Component C -- Project and Project Management (USD 2 million)

The Project will finance the reconstruction and upgrading of priority infrastructure assets using enhanced design standards that reflect post-2024 hydrological conditions and integrate climate resilience measures, including nature-based solutions where appropriate. Through a combination of infrastructure investments and institutional strengthening, the Project will help improve connectivity, reduce disruption risks, and support long-term climate resilience across the metropolitan region.

ENVIRONMENTAL AND SOCIAL INFORMATION

Applicable Policy and Categorization
. AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), will apply to this Project. Based on the initial review, ESS 1 (Environmental and Social Assessment and Management) will apply for the assessment and management of environmental and social risks and impacts associated with the Project. ESS 2 (Involuntary Resettlement) will also apply, given the potential for land acquisition, restrictions on land use and/or economic displacement. The applicability of ESS 3 (Indigenous Peoples) will be verified during due diligence, based on the Project's area of influence and the potential presence of, or impacts on, Indigenous Peoples. The Project has been initially categorized as Category A under AIIB's ESP, due to the potential for significant environmental and social (ES) risks and impacts during construction and operation. The nature, scale and significance of these impacts will be further assessed during ES due diligence (ESDD), including through the review of the relevant ES instruments. The Project categorization will also be confirmed based on the findings of the ESDD.

Environmental and Social Instruments.
Due to the multi-sectoral and phased nature of the Project in which not all subproject activities have been confirmed and detailed subproject designs have not yet been finalized, the Municipality will be required to establish an Environmental and Social Management Planning Framework (ESMPF) clearly describing how key potential ES risks associated with project activities will be screened, assessed, monitored and managed. The ESMPF will identify the required ES instruments for each subproject based on the findings of the initial screening. In addition to the ESMPF, the Municipality will be required to prepare a Resettlement Policy Framework (RPF) to guide the land acquisition processes, ensuring that such actions are conducted in

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Contact Information

AIIB

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.

Bank Documents

- Project Summary (September 14, 2026) [Original Source]