

[Suggested structure]

Selection process #:.....

[TOR#01: Component 1 – Financial Studies]

TERMS OF REFERENCE

Development of a Strategic Urban Framework for the Department of Urbanism (DEURB) at the Brazilian National Development Bank (BNDES) – Financial Studies

Brazil

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
- 1.2.** The objective of this Technical Cooperation (TC) is to support Brazilian municipalities to design integral urban development projects to promote urban economic reactivation and socio-economic development. The specific objectives are (i) to set up a joint strategy with the Brazilian National Development Bank (BNDES)¹ to design and implement financial mechanisms for integral urban development projects, and (ii) provide technical assistance to medium and large-sized municipalities during the preparation of proposals for urban development projects, including mobilizing expertise and resources from the private sector; and (iii) ensure that those proposals contemplate the requirements and the necessary studies aligned with IDB strategies.
- 1.3.** The BNDES is the principal financing agent for development in Brazil and played a fundamental role in stimulating infrastructure expansion, local growth, and institutional strengthening, emphasizing environmental and social issues. Throughout the BNDES history, its operations evolved following the Brazilian socio-economic challenges. They include support for exports, technological innovation, sustainable socio-environmental initiatives, and public administration modernization. The BNDES offers several financial assistance mechanisms to public administration entities, enabling investments in all economic sectors. In any supported undertaking, from the analysis phase up to the monitoring, the BNDES underscores three factors as strategic: innovation, local development, and socio-environmental development.
- 1.4.** Besides, Besides, the BNDES has the Integrated Development of Municipalities (IDM) initiative, which provides funding in the following areas: (i) urbanization and infrastructure implementation

¹ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

projects, including interventions in risk areas and informal settlements; (ii) supply of infrastructure and equipment for education, health, social assistance, sports, recreation, and public spaces; (iii) recovery and revitalization of degraded areas, of historical and heritage, cultural, tourism and environmental interest; (iv) environmental sanitation (i.e., water supply, sanitation, solid waste, and urban drainage); (v) public passenger transportation (urban, metropolitan and rural) and infrastructure; and (vi) housing improvements and supply of social housing in relocation or urban retraining projects. Under the IDM, the BNDES prioritizes innovative solutions for urban interventions, both in technical and construction issues, urban design, management, and socio-economic integration.

- 1.5.** From 2011 to 2017, the BNDES did not receive new operations under the IDM due to the impossibility of directly contracting national financial intuitions with the municipalities (only the PMAT² line was without contingency). With the new non-contingency policy for loans to the public sector approved by the Union (2018), new urban development projects joined the entity's portfolio. At present, the BNDES has an active portfolio of 15 integrated development operations with municipalities, totaling R\$ 1,2 billion.
- 1.6.** The BNDES challenge of serving various municipalities, usually with low institutional capacity to manage complex urban development projects, motivated this institution to request the IDB's support through this TC. Accordingly, the IDB will assist the BNDES in creating a strategic urban framework for its Department of Urban Development, Culture, and Tourism (DEURB) and strengthening the mechanisms of preparation and supervision of operations with a territorial and multisectoral focus. The BNDES seeks to introduce new innovative tools to work with municipalities, improve its financing mechanisms, and create new businesses that contemplate the work articulated with other development institutions and the private sector. It is expected that with this TC, innovative instruments will be developed to improve the BNDES project management with municipalities for integral projects at the urban level, as well as the preparation of required procedures for a future joint credit operation between the IDB and the BNDES.

2. Objectives

- 2.1.** The objective of this consultancy is to support DEURB/BNDES to develop a new multisectoral strategic framework, which will include financial mechanisms to develop integrate urban projects as an engine of economic reactivation and socio-economic development and enhance the sustainability of Brazilian municipalities.

3. Key Activities

- 3.1.** The selected consultancy firm will deliver the activities described below:

3.1.1.Task 1: Strategic Line of Business: characterization of the institutions mechanisms of the

² Program for the Modernization of Tax Administration and the Management of Basic Social Sectors (PMAT for its acronym in Portuguese).

IDB and BNDES considering the differences in terms of their institutional profiles and financial conditions, technical approaches, as well as their experiences and impacts with municipal credit lines for urban development.

- 3.1.2. **Task 2: Financial Studies: (i) to develop the Framework:** propose financial scenarios and mechanism for a joint credit operation considering the banks (IDB and BNDES) financial products and instruments; and **(ii) for Public Exoneration Financial Sustainability Studies:** analyze the use of (a) potential instruments of Land Value Capture (LVC) - study of sources of land revenues; (b) tax incentives and economic assessment of such incentives; (c) private sector participation through concession or PPP contracts; (d) blended financing schemes; and (e) capital market instruments (issuance of bonds).

4. Expected Outcome and Deliverables / Project Schedule and Milestones

5. Qualifications

- 5.1. The consultancy must have experience in similar studies. Preference will be given to firms that demonstrate experience in working with development banks financial and operational instruments. Experience with municipalities is also expected, as well as a relevant network in the area/country. Fluency in English and Portuguese is also required, as well as the capacity of working with minimum supervision.
- 5.2. The following documents must be submitted for analysis:
- 5.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.
 - 5.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.
 - 5.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.
 - 5.2.4. Activity implementation schedule.

6. Acceptance Criteria

- 6.1. All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.
- 6.2. All documents contained in this TOR will be sent to the IDB's project manager and to the HUD/CBR specialist for approval.
- 6.3. Final reports must be approved by the IDB.
- 6.4. Every final product must be submitted to the Bank in an electronic file and printable hard copies (minimum of 10 per report/Memo per language). The electronic documents should include, in addition to a summary PowerPoint Presentation, a cover, one-page Executive Summary Memo describing project(s)/study areas and recommendations, main document, and all annexes. The

written report should be easily printable. Zip files will not be accepted as final reports, due to Records Management Section regulations.

- 6.5. All documents and other materials will need to be drafted in English and Portuguese and delivered in digital format in Word Microsoft Office 2007 or a more recent format.
- 6.6. Specify to whom the consulting firm will be reporting to, meetings, frequency, who will give comments to any reports, approve reports, documents, work, and give comments or any instructions for changes. It shall be Firm's responsibility for ensuring that such meetings are conducted, and such reports are submitted to the Bank (Define how you will accept the deliverables resulting from this TOR. The acceptance of deliverables must be clearly defined and understood by all parties. This section should include a description of how both parties will know when work is acceptable, how it will be accepted, and who is authorized to accept the work.)

7. Other Requirements

- 7.1. All travel should be included in the contract value.
- 7.2. The consultancy firm shall communicate information to the IDB on a biweekly basis, or other period agreed to by all parties, which will be accomplished via the following methods: (i) utilization of available cloud-based document sharing services, such as Google Drive, DropBox, WeTransfer, Microsoft Office or similar service, for draft memo distribution, review, and comments; and (ii) Bi-weekly online meetings conducted via Microsoft Teams, or similar as approved by Project Manager.
- 7.3. The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

8. Schedule of Payments

- 8.1. Payment terms will be based on the deliverables.

TERMS OF REFERENCE

Development of a Strategic Urban Framework for the Department of Urbanism (DEURB) at the Brazilian National Development Bank (BNDES) – Operational Studies

Brazil

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
- 1.2.** The objective of this Technical Cooperation (TC) is to support Brazilian municipalities to design integral urban development projects to promote urban economic reactivation and socio-economic development. The specific objectives are (i) to set up a joint strategy with the Brazilian National Development Bank (BNDES)³ to design and implement financial mechanisms for integral urban development projects, and (ii) provide technical assistance to medium and large-sized municipalities during the preparation of proposals for urban development projects, including mobilizing expertise and resources from the private sector; and (iii) ensure that those proposals contemplate the requirements and the necessary studies aligned with IDB strategies.
- 1.3.** The BNDES is the principal financing agent for development in Brazil and played a fundamental role in stimulating infrastructure expansion, local growth, and institutional strengthening, emphasizing environmental and social issues. Throughout the BNDES history, its operations evolved following the Brazilian socio-economic challenges. They include support for exports, technological innovation, sustainable socio-environmental initiatives, and public administration modernization. The BNDES offers several financial assistance mechanisms to public administration entities, enabling investments in all economic sectors. In any supported undertaking, from the analysis phase up to the monitoring, the BNDES underscores three factors as strategic: innovation, local development, and socio-environmental development.
- 1.4.** Besides, Besides, the BNDES has the Integrated Development of Municipalities (IDM) initiative, which provides funding in the following areas: (i) urbanization and infrastructure implementation projects, including interventions in risk areas and informal settlements; (ii) supply of

³ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

infrastructure and equipment for education, health, social assistance, sports, recreation, and public spaces; (iii) recovery and revitalization of degraded areas, of historical and heritage, cultural, tourism and environmental interest; (iv) environmental sanitation (i.e., water supply, sanitation, solid waste, and urban drainage); (v) public passenger transportation (urban, metropolitan and rural) and infrastructure; and (vi) housing improvements and supply of social housing in relocation or urban retraining projects. Under the IDM, the BNDES prioritizes innovative solutions for urban interventions, both in technical and construction issues, urban design, management, and socio-economic integration.

1.5. From 2011 to 2017, the BNDES did not receive new operations under the IDM due to the impossibility of directly contracting national financial intuitions with the municipalities (only the PMAT⁴ line was without contingency). With the new non-contingency policy for loans to the public sector approved by the Union (2018), new urban development projects joined the entity's portfolio. At present, the BNDES has an active portfolio of 15 integrated development operations with municipalities, totaling R\$ 1,2 billion.

1.6. The BNDES challenge of serving various municipalities, usually with low institutional capacity to manage complex urban development projects, motivated this institution to request the IDB's support through this TC. Accordingly, the IDB will assist the BNDES in creating a strategic urban framework for its Department of Urban Development, Culture, and Tourism (DEURB) and strengthening the mechanisms of preparation and supervision of operations with a territorial and multisectoral focus. The BNDES seeks to introduce new innovative tools to work with municipalities, improve its financing mechanisms, and create new businesses that contemplate the work articulated with other development institutions and the private sector. It is expected that with this TC, innovative instruments will be developed to improve the BNDES project management with municipalities for integral projects at the urban level, as well as the preparation of required procedures for a future joint credit operation between the IDB and the BNDES.

2. Objectives

2.1. The objective of this consultancy is to support DEURB/BNDES to develop a new multisectoral strategic framework, which will include operational studies to develop integrate urban projects as an engine of economic reactivation and socio-economic development and enhance the sustainability of Brazilian municipalities.

3. Key Activities

3.1. The selected consultancy firm will deliver the activities described below:

3.1.1. Task: Operational Studies: (i) for Projects Eligibility Criteria: development of a guideline including standards and analysis for financing, social, environment and technical eligibility:

⁴ Program for the Modernization of Tax Administration and the Management of Basic Social Sectors (PMAT for its acronym in Portuguese).

(i) develop the typologies of potential interventions, and the minimum requirements for the technical, social and environmental projects presentation; (ii) develop a system of indicators (outcomes and outputs) to evaluate the project's benefits and impacts; (iii) socioenvironmental and economical assessments methodologies, and its analysis parameters; (iv) socioenvironmental studies; among others; and **(ii) for the Operational Manual:** development of operating regulations for advancing monitoring and project implementation supervision, with: (i) institutional scheme of execution; (ii) multiyear execution plan and annual work plan templates; (iii) indicators monitoring and evaluation plan; (iv) supervision reports structure; (v) financial flows schemes; and (v) sub loan contract templates.

4. Expected Outcome and Deliverables / Project Schedule and Milestones

5. Qualifications

5.1. The consultancy must have experience in similar studies. Preference will be given to firms that demonstrate experience in working with development banks financial and operational instruments. Experience with municipalities is also expected, as well as a relevant network in the area/country. Fluency in English and Portuguese is also required, as well as the capacity of working with minimum supervision.

5.2. The following documents must be submitted for analysis:

5.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.

5.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.

5.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.

5.2.4. Activity implementation schedule.

6. Acceptance Criteria

6.1. All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.

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6.3. Final reports must be approved by the IDB.

6.4. Every final product must be submitted to the Bank in an electronic file and printable hard copies (minimum of 10 per report/Memo per language). The electronic documents should include, in addition to a summary PowerPoint Presentation, a cover, one-page Executive Summary Memo describing project(s)/study areas and recommendations, main document, and all annexes. The written report should be easily printable. Zip files will not be accepted as final reports, due to

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- 6.5. All documents and other materials will need to be drafted in English and Portuguese and delivered in digital format in Word Microsoft Office 2007 or a more recent format.
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7. Other Requirements

- 7.1. All travel should be included in the contract value.
- 7.2. The consultancy firm shall communicate information to the IDB on a biweekly basis, or other period agreed to by all parties, which will be accomplished via the following methods: (i) utilization of available cloud-based document sharing services, such as Google Drive, DropBox, WeTransfer, Microsoft Office or similar service, for draft memo distribution, review, and comments; and (ii) Bi-weekly online meetings conducted via Microsoft Teams, or similar as approved by Project Manager.
- 7.3. The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

8. Schedule of Payments

- 8.1. Payment terms will be based on the deliverables.

TERMS OF REFERENCE

Development of a Strategic Urban Framework for the Department of Urbanism (DEURB) at the Brazilian National Development Bank (BNDES) – Socioenvironmental Analysis

Brazil

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
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- 1.4.** Besides, Besides, the BNDES has the Integrated Development of Municipalities (IDM) initiative, which provides funding in the following areas: (i) urbanization and infrastructure implementation projects, including interventions in risk areas and informal settlements; (ii) supply of

⁵ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

infrastructure and equipment for education, health, social assistance, sports, recreation, and public spaces; (iii) recovery and revitalization of degraded areas, of historical and heritage, cultural, tourism and environmental interest; (iv) environmental sanitation (i.e., water supply, sanitation, solid waste, and urban drainage); (v) public passenger transportation (urban, metropolitan and rural) and infrastructure; and (vi) housing improvements and supply of social housing in relocation or urban retraining projects. Under the IDM, the BNDES prioritizes innovative solutions for urban interventions, both in technical and construction issues, urban design, management, and socio-economic integration.

1.5. From 2011 to 2017, the BNDES did not receive new operations under the IDM due to the impossibility of directly contracting national financial intuitions with the municipalities (only the PMAT⁶ line was without contingency). With the new non-contingency policy for loans to the public sector approved by the Union (2018), new urban development projects joined the entity's portfolio. At present, the BNDES has an active portfolio of 15 integrated development operations with municipalities, totaling R\$ 1,2 billion.

1.6. The BNDES challenge of serving various municipalities, usually with low institutional capacity to manage complex urban development projects, motivated this institution to request the IDB's support through this TC. Accordingly, the IDB will assist the BNDES in creating a strategic urban framework for its Department of Urban Development, Culture, and Tourism (DEURB) and strengthening the mechanisms of preparation and supervision of operations with a territorial and multisectoral focus. The BNDES seeks to introduce new innovative tools to work with municipalities, improve its financing mechanisms, and create new businesses that contemplate the work articulated with other development institutions and the private sector. It is expected that with this TC, innovative instruments will be developed to improve the BNDES project management with municipalities for integral projects at the urban level, as well as the preparation of required procedures for a future joint credit operation between the IDB and the BNDES.

2. Objectives

2.1. The objective of this consultancy is to support DEURB/BNDES to develop a new multisectoral strategic framework, which will include socioenvironmental and complementary studies to develop integrate urban projects as an engine of economic reactivation and socio-economic development and enhance the sustainability of Brazilian municipalities.

3. Key Activities

3.1. The selected consultancy firm will deliver the activities described below:

3.1.1. Task 1: Socioenvironmental Studies: The environmental analysis must identify the environmental impacts expected by the set of interventions proposed for the Program and

⁶ Program for the Modernization of Tax Administration and the Management of Basic Social Sectors (PMAT for its acronym in Portuguese).

its components. The analysis should include measures to mitigate negative impacts. An assessment of the Beneficiary's environmental institutional capacity should also be made in order to assess the extent to which the Beneficiary has: (a) the capacity and mechanisms to monitor compliance with the measures required for the environmental assessment; (b) whether the executor has adequate environmental management and control systems; and (c) mechanisms for public consultation. The institutional capacity assessment helps to identify gaps that could be addressed by the project.

- 3.1.2. **Task 2: Complementary Studies:** characterization and analyses of the regional environment and urban experiences in terms of innovation solutions, gender and diversity inclusion, urban resilience in climate change adaptation and economic reactivation, to be promoted in the projects.

4. Expected Outcome and Deliverables / Project Schedule and Milestones

5. Qualifications

- 5.1. The consultancy must have experience in similar studies. Preference will be given to firms that demonstrate experience in working with development banks financial and operational instruments. Experience with municipalities is also expected, as well as a relevant network in the area/country. Fluency in English and Portuguese is also required, as well as the capacity of working with minimum supervision.
- 5.2. The following documents must be submitted for analysis:
- 5.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.
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 - 5.2.4. Activity implementation schedule.

6. Acceptance Criteria

- 6.1. All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.
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describing project(s)/study areas and recommendations, main document, and all annexes. The written report should be easily printable. Zip files will not be accepted as final reports, due to Records Management Section regulations.

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7. Other Requirements

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- 7.3. The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

8. Schedule of Payments

- 8.1. Payment terms will be based on the deliverables.

TERMS OF REFERENCE

Development of a Strategic Urban Framework for the Department of Urbanism (DEURB) at the Brazilian National Development Bank (BNDES) – Financial Studies – Dissemination

Brazil

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
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- 1.4.** Besides, Besides, the BNDES has the Integrated Development of Municipalities (IDM) initiative, which provides funding in the following areas: (i) urbanization and infrastructure implementation projects, including interventions in risk areas and informal settlements; (ii) supply of

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infrastructure and equipment for education, health, social assistance, sports, recreation, and public spaces; (iii) recovery and revitalization of degraded areas, of historical and heritage, cultural, tourism and environmental interest; (iv) environmental sanitation (i.e., water supply, sanitation, solid waste, and urban drainage); (v) public passenger transportation (urban, metropolitan and rural) and infrastructure; and (vi) housing improvements and supply of social housing in relocation or urban retraining projects. Under the IDM, the BNDES prioritizes innovative solutions for urban interventions, both in technical and construction issues, urban design, management, and socio-economic integration.

1.5. From 2011 to 2017, the BNDES did not receive new operations under the IDM due to the impossibility of directly contracting national financial intuitions with the municipalities (only the PMAT⁸ line was without contingency). With the new non-contingency policy for loans to the public sector approved by the Union (2018), new urban development projects joined the entity's portfolio. At present, the BNDES has an active portfolio of 15 integrated development operations with municipalities, totaling R\$ 1,2 billion.

1.6. The BNDES challenge of serving various municipalities, usually with low institutional capacity to manage complex urban development projects, motivated this institution to request the IDB's support through this TC. Accordingly, the IDB will assist the BNDES in creating a strategic urban framework for its Department of Urban Development, Culture, and Tourism (DEURB) and strengthening the mechanisms of preparation and supervision of operations with a territorial and multisectoral focus. The BNDES seeks to introduce new innovative tools to work with municipalities, improve its financing mechanisms, and create new businesses that contemplate the work articulated with other development institutions and the private sector. It is expected that with this TC, innovative instruments will be developed to improve the BNDES project management with municipalities for integral projects at the urban level, as well as the preparation of required procedures for a future joint credit operation between the IDB and the BNDES.

2. Objectives

2.1. The objective of this consultancy is to support DEURB/BNDES to elaborate dissemination materials and to prepare dissemination webinars concerning the BNDES new multisectoral strategic framework, which will include operational, technical and financial mechanisms to develop integrate urban projects as an engine of economic reactivation and socio-economic development and enhance the sustainability of Brazilian municipalities.

3. Key Activities

3.1. The selected consultancy firm will deliver the activities described below:

3.1.1. Task: Dissemination: develop a toolkit/guideline to support the application of the

⁸ Program for the Modernization of Tax Administration and the Management of Basic Social Sectors (PMAT for its acronym in Portuguese).

municipalities to the new lines of lending. Support the dissemination of the new framework, and the studies elaborated within this consultancy, through webinars organization and materials preparation.

4. Expected Outcome and Deliverables / Project Schedule and Milestones

5. Qualifications

5.1. The consultancy must have experience in similar studies.

5.2. The following documents must be submitted for analysis:

5.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.

5.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.

5.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.

5.2.4. Activity implementation schedule.

6. Acceptance Criteria

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- 7.3.** The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

8. Schedule of Payments

- 8.1.** Payment terms will be based on the deliverables.

[Suggested structure]

Selection process #:.....

[TOR#05: Component 2 – Technical Urban Studies]

TERMS OF REFERENCE

Technical Assistance for Designing of Integral Urban Development Projects for Brazilian Municipalities

Brazil

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities – Technical Urban Studies

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
- 1.2.** The objective of the referenced Technical Cooperation (TC) is to support Brazilian municipalities to design integral urban development projects to promote urban economic reactivation and socio-economic development. The specific objectives are (i) to set up a joint strategy with the Brazilian National Development Bank (BNDES)⁹ to design and implement financial mechanisms for integral urban development projects, and (ii) provide technical assistance to medium and large-sized municipalities during the preparation of proposals for urban development projects, including mobilizing expertise and resources from the private sector; and (iii) ensure that those proposals contemplate the requirements and the necessary studies aligned with IDB strategies.
- 1.3.** Brazil is one of the most urbanized countries in the world, with a population of 211 million inhabitants (IBGE, 2020),¹⁰ with approximately 85% of people living in urban areas, which generate 90% of the GDP and most of the socio-economic innovation. According to

⁹ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

¹⁰ Brazilian Institute of Geography and Statistics (IBGE for its acronym in Portuguese).

URBANET,¹¹ in 2018, Brazil had 37 medium-sized cities with a population between 300,000 and 1 million inhabitants, 19 cities ranging between 1 and 5 million people, and only two megacities with 10 million or more inhabitants.

- 1.4.** As a result of internal migrations, Brazil's accelerated urbanization process is a relatively recent phenomenon associated with a set of changes in the country's economy, society, and politics along the last century, especially in its second half. This process, however, was not followed by the advancement of comprehensive urban planning instruments. Although the first urban master plan was elaborated in 1930,¹² it was until 1988 that urbanistic regulations were created with the new Brazilian Constitution. In 2001, the national "Law of the Cities" (Estatuto das Cidades) fostered the creation of comprehensive master plans that were compulsory for cities above 20.000 habitants. The lack of legal enforcement associated with the economic crisis the country faced in the last decades generated urban structural problems such as (i) urban sprawling¹³ – with the abandonment of the central urban areas and heritage sites; (ii) social inequalities – with the growth of informal settlements¹⁴; (iii) transportation diseconomies¹⁵ and mobility precarious conditions; and (iv) deficiency in water and sewage supply¹⁶. More recently, other urban structural issues emerged, such as (i) the lack of urban resilience because of climate changes;¹⁷ and (ii) the economic and sanitary¹⁸ crisis worsened by COVID-19.
- 1.5.** Apart from the challenges faced by the Brazilian urbanization process, especially its high deficit of essential services and urban infrastructure, with extreme poverty levels, the country also presents a very diverse urban network and significant regional economic disparities. The South and Southeast offer better urban infrastructure conditions and services. In contrast, the North, Northeast, and Central West regions lack adequate urban services and infrastructure, also pressed by interregional migrations.
- 1.6.** Although Brazilian cities face significant challenges, they also present opportunities to improve productivity, economic competitiveness, and social inclusion. Enhancing living conditions requires investments in essential public services and urban infrastructure and

¹¹ <https://www.urbanet.info/urban-development-brazil/>

¹² Plano Agache

¹³ From 1960, Brazilian cities started a process of "peripherization", not only by the low-income but also upper-income population (private condominiums). Sao Paulo Origin-Destination Surveys, for example, presented an increase of 266% in the number of kilometers driven between 1997 and 2007.

¹⁴ According do IBGE (2010), around 11.4 million of people (6% of the total population in the period) live at informal resettlements in Brazil. The population of these informal resettlements are majority "brown" 68.4% (*pardo* in Portuguese) and are, at average, 27.9 years old. Rio de Janeiro is the Brazilian city with the largest number of people living in favelas, around 1.4 million of people (22% of the population).

¹⁵ According to the Study of Diseconomies (ANTP, 2003), in 1997 the total amount of annual time losses with traffic congestion in 10 Brazilian cities is over 250 million pax/h for private transportation, and 256 million pax/h for public transportation.

¹⁶ According to National System of Sewage Information, 2018, (SNIS for its acronym in Portuguese), 47% of the Brazilian households have no sewage treatment and 16% have no access to treated water.

¹⁷ According to the PBMC (*Painel Brasileiro de Mudanças Climáticas*) the main Brazilian problems involving climate change and cities resilience are: increasing of temperatures, rising sea levels, heat islands, flooding, water and food shortage, oceans acidification and extreme events; and, informal resettlements are the most impacted by the climate change effects.

¹⁸ <http://cadernos.ensp.fiocruz.br/csp/artigo/1116/a-pandemia-de-covid-19-uma-crise-sanitaria-e-humanitaria>

strengthening local government capacity building to implement comprehensive public policies. Past experiences show that integral urban interventions, combined with social initiatives and physical investments, can achieve positive results. The ongoing Brazilian economic crisis since 2014, intensified by the economic impact of COVID-19, exacerbated urban challenges and reduced public investment capacities. In this context, the active participation of development institutions and their experience in innovative solutions for economic reactivation is essential to address such challenges and mobilize public sector expertise and resources.

1.7. As presented before, in the last years, Brazilian cities are enduring the effects of a prolonged economic crisis, with worsening urban infrastructure conditions and unsustainable urban planning strategies recently aggravated by the pandemic. Development banks, especially the IDB, could play a vital role in recommending and financing innovative local urban solutions by integrating creative social, environmental, and economic ideas into new municipal projects and mobilizing the private sector's expertise and resources. In particular, the IDB is a well-positioned partner, considering its vast experience in designing and implementing initiatives such as PROCIDADES in Brazil or the Emerging and Sustainable Cities Initiative (ESCI) and several multisectoral projects in different countries of the region. However, most municipalities have institutional, technical, or budgetary deficiencies for preparing the necessary studies to obtain a national government recommendation for sovereign guarantees¹⁹ and the IDB technical and quality acceptance for a credit operation.

1.8. In line with this request, the TC, "Integrated Urban Development Project Design Support for Brazilian Municipalities" will provide technical assistance to those municipalities during the preparation of proposals for urban development projects, including fostering private sector participation (e.g., constructors, promoters, bankers, fund managers, start-ups, fintech's, etc.) by creating a plan to encourage investment opportunities and disseminate knowledge and best practices.

2. [municipality context] this context will be adapted.

2.1. Xxx

3. Objectives

3.1. The general objective of this consultancy is to provide technical support on the preparation and modeling of Integrated Urban and Resilience Projects (IUSP) at the subnational level to carry out urban technical studies for comprehensive urban development projects, as an engine of economic reactivation, identifying, designing, and promoting better urban living

¹⁹ This "recommendation" from de External Finance Commission (COFIEC for its acronym in Portuguese) of the Brazilian National Government, is a requirement to obtain the sovereign guarantee for credit operations with Multilateral Development Banks. Therefore, it is necessary to present to the COFIEC a consult letter (carta-consulta) with the technical description of the operation, as well as the petitioner fiscal situation.

conditions and socio-economic development.

4. **Key Activities**²⁰

4.1. The selected consultancy firm will deliver the activities described below:

4.1.1. **Task: Technical Urban Studies:** [The technical aspects of the project are crucial to achieve its success. They depend on the sectoral and sub-sectoral focus of the project and they can spread throughout a wide spectrum, ranging from specific engineering considerations in "hard" areas to more experimental approaches in "soft" dimensions. The technical aspects of a project reflect the decisions made by the Beneficiary and the Bank, based on the available local technical capacity and / or consultants or consulting firms. The technical aspects of the project must take into account what is appropriate for local context - for instance in investments in urban infrastructure, the adequacy of engineering works and whether different design alternatives were considered. The analysis should normally focus on technical foundations based on careful and well-documented analysis to proceed with a particular approach or design option].

5. **Expected Outcome and Deliverables / Project Schedule and Milestones**

[Expected outcomes, among others: • Preliminary engineering studies (design / conceptual/ architecture and urbanism / local economic development); • Basic project; • Executive project; • Other technical studies that may be necessary depending on the specifics of the project]

6. **Qualifications**

6.1. The consultancy must have experience in similar studies. Preference will be given to firms that demonstrate experience in working with urban development integral projects. Experience with municipalities is also expected, as well as a relevant network in the area/country. Fluency in English and Portuguese is also required, as well as the capacity of working with minimum supervision.

6.2. The following documents must be submitted for analysis:

6.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.

6.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.

6.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.

6.2.4. Activity implementation schedule.

²⁰ The final scope of the studies will be defined with the municipal technical authorities.

7. Acceptance Criteria

- 7.1.** All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.
- 7.2.** All documents contained in this TOR will be sent to the IDB's project manager and to the HUD/CBR specialist for approval.
- 7.3.** Final reports must be previously approved by the IADB.
- 7.4.** Every final product must be submitted to the Bank in an electronic file and printable hard copies (minimum of 10 per report/Memo per language). The electronic documents should include, in addition to a summary PowerPoint Presentation, a cover, one-page Executive Summary Memo describing project(s)/study areas and recommendations, main document, and all annexes. The written report should be easily printable. Zip files will not be accepted as final reports, due to Records Management Section regulations.
- 7.5.** All documents and other materials will need to be drafted in English and Portuguese and delivered in digital format in Word Microsoft Office 2007 or a more recent format.
- 7.6.** Specify to whom the consulting firm will be reporting to, meetings, frequency, who will give comments to any reports, approve reports, documents, work, and give comments or any instructions for changes. It shall be Firm's responsibility for ensuring that such meetings are conducted, and such reports are submitted to the Bank (Define how you will accept the deliverables resulting from this TOR. The acceptance of deliverables must be clearly defined and understood by all parties. This section should include a description of how both parties will know when work is acceptable, how it will be accepted, and who is authorized to accept the work.)

8. Other Requirements

- 8.1.** All travel should be included in the contract value.
- 8.2.** The consultancy firm shall communicate information to the IDB and on a biweekly basis, or other period agreed to by all parties, which will be accomplished via the following methods: (i) utilization of available cloud-based document sharing services, such as Google Drive, DropBox, WeTransfer, Microsoft Office or similar service, for draft memo distribution, review, and comments; and (ii) Bi-weekly online meetings conducted via Microsoft Teams, or similar as approved by Project Manager.
- 8.3.** The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

9. Schedule of Payments

9.1. Payment terms will be based on the deliverables.

[TOR#06: Component 2 – Socioeconomic and Financial Assessments]

TERMS OF REFERENCE

Technical Assistance for Designing of Integral Urban Development Projects for Brazilian Municipalities

Brazil – Socioeconomic and Financial Assessments

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities – Technical Urban Studies

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
- 1.2.** The objective of the referenced Technical Cooperation (TC) is to support Brazilian municipalities to design integral urban development projects to promote urban economic reactivation and socio-economic development. The specific objectives are (i) to set up a joint strategy with the Brazilian National Development Bank (BNDES)²¹ to design and implement financial mechanisms for integral urban development projects, and (ii) provide technical assistance to medium and large-sized municipalities during the preparation of proposals for urban development projects, including mobilizing expertise and resources from the private sector; and (iii) ensure that those proposals contemplate the requirements and the necessary studies aligned with IDB strategies.
- 1.3.** Brazil is one of the most urbanized countries in the world, with a population of 211 million inhabitants (IBGE, 2020),²² with approximately 85% of people living in urban areas, which generate 90% of the GDP and most of the socio-economic innovation. According to URBANET,²³ in 2018, Brazil had 37 medium-sized cities with a population between 300,000 and 1 million inhabitants, 19 cities ranging between 1 and 5 million people, and only two megacities with 10 million or more inhabitants.
- 1.4.** As a result of internal migrations, Brazil's accelerated urbanization process is a relatively recent phenomenon associated with a set of changes in the country's economy, society, and politics

²¹ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

²² Brazilian Institute of Geography and Statistics (IBGE for its acronym in Portuguese).

²³ <https://www.urbanet.info/urban-development-brazil/>

along the last century, especially in its second half. This process, however, was not followed by the advancement of comprehensive urban planning instruments. Although the first urban master plan was elaborated in 1930,²⁴ it was until 1988 that urbanistic regulations were created with the new Brazilian Constitution. In 2001, the national "Law of the Cities" (Estatuto das Cidades) fostered the creation of comprehensive master plans that were compulsory for cities above 20.000 habitants. The lack of legal enforcement associated with the economic crisis the country faced in the last decades generated urban structural problems such as (i) urban sprawling²⁵ – with the abandonment of the central urban areas and heritage sites; (ii) social inequalities – with the growth of informal settlements²⁶; (iii) transportation diseconomies²⁷ and mobility precarious conditions; and (iv) deficiency in water and sewage supply²⁸. More recently, other urban structural issues emerged, such as (i) the lack of urban resilience because of climate changes;²⁹ and (ii) the economic and sanitary³⁰ crisis worsened by COVID-19.

- 1.5. Apart from the challenges faced by the Brazilian urbanization process, especially its high deficit of essential services and urban infrastructure, with extreme poverty levels, the country also presents a very diverse urban network and significant regional economic disparities. The South and Southeast offer better urban infrastructure conditions and services. In contrast, the North, Northeast, and Central West regions lack adequate urban services and infrastructure, also pressed by interregional migrations.
- 1.6. Although Brazilian cities face significant challenges, they also present opportunities to improve productivity, economic competitiveness, and social inclusion. Enhancing living conditions requires investments in essential public services and urban infrastructure and strengthening local government capacity building to implement comprehensive public policies. Past experiences show that integral urban interventions, combined with social initiatives and physical investments, can achieve positive results. The ongoing Brazilian economic crisis since 2014, intensified by the economic impact of COVID-19, exacerbated urban challenges and reduced public investment capacities. In this context, the active participation of development institutions and their experience in innovative solutions for economic reactivation is essential to address such challenges and mobilize public sector expertise and resources.

²⁴ Plano Agache

²⁵ From 1960, Brazilian cities started a process of "peripherization", not only by the low-income but also upper-income population (private condominiums). Sao Paulo Origin-Destination Surveys, for example, presented an increase of 266% in the number of kilometers driven between 1997 and 2007.

²⁶ According do IBGE (2010), around 11.4 million of people (6% of the total population in the period) live at informal resettlements in Brazil. The population of these informal resettlements are majority "brown" 68.4% (*pardo* in Portuguese) and are, at average, 27.9 years old. Rio de Janeiro is the Brazilian city with the largest number of people living in favelas, around 1.4 million of people (22% of the population).

²⁷ According to the Study of Diseconomies (ANTP, 2003), in 1997 the total amount of annual time losses with traffic congestion in 10 Brazilian cities is over 250 million pax/h for private transportation, and 256 million pax/h for public transportation.

²⁸ According to National System of Sewage Information, 2018, (SNIS for its acronym in Portuguese), 47% of the Brazilian households have no sewage treatment and 16% have no access to treated water.

²⁹ According to the PBMC (*Painel Brasileiro de Mudanças Climáticas*) the main Brazilian problems involving climate change and cities resilience are: increasing of temperatures, rising sea levels, heat islands, flooding, water and food shortage, oceans acidification and extreme events; and, informal resettlements are the most impacted by the climate change effects.

³⁰ <http://cadernos.ensp.fiocruz.br/csp/artigo/1116/a-pandemia-de-covid-19-uma-crise-sanitaria-e-humanitaria>

- 1.7. As presented before, in the last years, Brazilian cities are enduring the effects of a prolonged economic crisis, with worsening urban infrastructure conditions and unsustainable urban planning strategies recently aggravated by the pandemic. Development banks, especially the IDB, could play a vital role in recommending and financing innovative local urban solutions by integrating creative social, environmental, and economic ideas into new municipal projects and mobilizing the private sector's expertise and resources. In particular, the IDB is a well-positioned partner, considering its vast experience in designing and implementing initiatives such as PROCIDADES in Brazil or the Emerging and Sustainable Cities Initiative (ESCI) and several multisectoral projects in different countries of the region. However, most municipalities have institutional, technical, or budgetary deficiencies for preparing the necessary studies to obtain a national government recommendation for sovereign guarantees³¹ and the IDB technical and quality acceptance for a credit operation.
- 1.8. In line with this request, the TC, "Integrated Urban Development Project Design Support for Brazilian Municipalities" will provide technical assistance to those municipalities during the preparation of proposals for urban development projects, including fostering private sector participation (e.g., constructors, promoters, bankers, fund managers, start-ups, fintech's, etc.) by creating a plan to encourage investment opportunities and disseminate knowledge and best practices.
2. **[municipality context]** this context will be adapted.
- 2.1. Xxx
3. **Objectives**
- 3.1. The general objective of this consultancy is to provide technical support on the preparation and modeling of Integrated Urban and Resilience Projects (IUSP) at the subnational level to carry out socioeconomic and financial assessments for comprehensive urban development projects, as an engine of economic reactivation, identifying, designing, and promoting better urban living conditions and socio-economic development.
4. **Key Activities**³²
- 4.1. The selected consultancy firm will deliver the activities described below:
- 4.1.1. **Task: Economic and Financial Assessments:** [Calculate the future cost-benefits of scenarios with projects and without projects. An attempt should be made to estimate whether they exceed the cost flows linked to the project - this calculation should be reflected at an

³¹ This "recommendation" from de External Finance Commission (COFIEC for its acronym in Portuguese) of the Brazilian National Government, is a requirement to obtain the sovereign guarantee for credit operations with Multilateral Development Banks. Therefore, it is necessary to present to the COFIEC a consult letter (carta-consulta) with the technical description of the operation, as well as the petitioner fiscal situation.

³² The final scope of the studies will be defined with the municipal technical authorities.

economic rate of return (ERR) associated with a sensitivity analysis. In case the future flow of benefits from the project cannot be calculated, the consultant should try to demonstrate the cost effectiveness of the project, that is, that the approach taken to achieve a certain objective is low cost.

If the future benefits of the project are quantifiable, an economic rate of return and a sensitivity analysis should be calculated based on an explicit forecast of benefits and costs during the project's operating period (with explicit reference to the "no project" scenario). In case of the future benefits of the project cannot be quantified, a cost-effectiveness analysis must be performed based on an explicit forecast of the cost flow during the project's operating period - this cost-effectiveness is used to shape the design of the project.

If the future benefits of the project can be quantified, an economic rate of return and a sensitivity analysis would be estimated using data from a similar operation carried out elsewhere. If the future benefits of the project cannot be quantified, a cost-effectiveness analysis would be performed using data from a similar operation carried out elsewhere.

Financial Analysis - When relevant and when defined by the Bank as necessary (for example, in projects involving entities that generate revenue, projects whose operation is based on fees paid by users, or projects that seek to reduce the total cost of the provision services) an attempt should be made to carry out a financial analysis, associated with a sensitivity analysis, on the main financial variables.

The financial analysis will be based on (a) realistic expectations of cost recovery by users or direct subsidies; (b) realistic levels of debt service and recurring financial costs that can be met by the revenue-generating entity. The key financial reasons must be agreed upon during project preparation and normally reflected in the loan agreements

4.1.2. If the nature of the project is such that its financial viability depends directly on the financial viability of decentralized or low-scale investment decisions made by beneficiaries (for example, water supply and sewage projects), the project must explicitly take into account financial aspects at that level].

5. Expected Outcome and Deliverables / Project Schedule and Milestones

[Expected outcomes, among others: • Economic feasibility studies; • Financial feasibility studies; • Other technical studies that may be necessary depending on the specifics of the project]

6. Qualifications

6.1. The consultancy must have experience in similar studies. Preference will be given to firms that demonstrate experience in working with urban development integral projects. Experience with municipalities is also expected, as well as a relevant network in the area/country. Fluency in English and Portuguese is also required, as well as the capacity of working with minimum supervision.

6.2. The following documents must be submitted for analysis:

- 6.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.
- 6.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.
- 6.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.
- 6.2.4. Activity implementation schedule.

7. Acceptance Criteria

- 7.1. All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.
- 7.2. All documents contained in this TOR will be sent to the IDB's project manager and to the HUD/CBR specialist for approval.
- 7.3. Final reports must be previously approved by the IADB.
- 7.4. Every final product must be submitted to the Bank in an electronic file and printable hard copies (minimum of 10 per report/Memo per language). The electronic documents should include, in addition to a summary PowerPoint Presentation, a cover, one-page Executive Summary Memo describing project(s)/study areas and recommendations, main document, and all annexes. The written report should be easily printable. Zip files will not be accepted as final reports, due to Records Management Section regulations.
- 7.5. All documents and other materials will need to be drafted in English and Portuguese and delivered in digital format in Word Microsoft Office 2007 or a more recent format.
- 7.6. Specify to whom the consulting firm will be reporting to, meetings, frequency, who will give comments to any reports, approve reports, documents, work, and give comments or any instructions for changes. It shall be Firm's responsibility for ensuring that such meetings are conducted, and such reports are submitted to the Bank (Define how you will accept the deliverables resulting from this TOR. The acceptance of deliverables must be clearly defined and understood by all parties. This section should include a description of how both parties will know when work is acceptable, how it will be accepted, and who is authorized to accept the work.)

8. Other Requirements

- 8.1. All travel should be included in the contract value.
- 8.2. The consultancy firm shall communicate information to the IDB and on a biweekly basis, or other period agreed to by all parties, which will be accomplished via the following methods: (i) utilization of available cloud-based document sharing services, such as Google Drive, DropBox, WeTransfer, Microsoft Office or similar service, for draft memo distribution, review, and

comments; and (ii) Bi-weekly online meetings conducted via Microsoft Teams, or similar as approved by Project Manager.

- 8.3.** The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

9. Schedule of Payments

- 9.1.** Payment terms will be based on the deliverables.

[TOR#07: Component 2 – Socioenvironmental Analysis]

TERMS OF REFERENCE

Technical Assistance for Designing of Integral Urban Development Projects for Brazilian Municipalities

Brazil – Socioenvironmental Analysis

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities – Technical Urban Studies

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
- 1.2.** The objective of the referenced Technical Cooperation (TC) is to support Brazilian municipalities to design integral urban development projects to promote urban economic reactivation and socio-economic development. The specific objectives are (i) to set up a joint strategy with the Brazilian National Development Bank (BNDES)³³ to design and implement financial mechanisms for integral urban development projects, and (ii) provide technical assistance to medium and large-sized municipalities during the preparation of proposals for urban development projects, including mobilizing expertise and resources from the private sector; and (iii) ensure that those proposals contemplate the requirements and the necessary studies aligned with IDB strategies.
- 1.3.** Brazil is one of the most urbanized countries in the world, with a population of 211 million inhabitants (IBGE, 2020),³⁴ with approximately 85% of people living in urban areas, which generate 90% of the GDP and most of the socio-economic innovation. According to URBANET,³⁵ in 2018, Brazil had 37 medium-sized cities with a population between 300,000 and 1 million inhabitants, 19 cities ranging between 1 and 5 million people, and only two megacities with 10 million or more inhabitants.
- 1.4.** As a result of internal migrations, Brazil's accelerated urbanization process is a relatively recent phenomenon associated with a set of changes in the country's economy, society, and politics

³³ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

³⁴ Brazilian Institute of Geography and Statistics (IBGE for its acronym in Portuguese).

³⁵ <https://www.urbanet.info/urban-development-brazil/>

along the last century, especially in its second half. This process, however, was not followed by the advancement of comprehensive urban planning instruments. Although the first urban master plan was elaborated in 1930,³⁶ it was until 1988 that urbanistic regulations were created with the new Brazilian Constitution. In 2001, the national "Law of the Cities" (Estatuto das Cidades) fostered the creation of comprehensive master plans that were compulsory for cities above 20.000 habitants. The lack of legal enforcement associated with the economic crisis the country faced in the last decades generated urban structural problems such as (i) urban sprawling³⁷ – with the abandonment of the central urban areas and heritage sites; (ii) social inequalities – with the growth of informal settlements³⁸; (iii) transportation diseconomies³⁹ and mobility precarious conditions; and (iv) deficiency in water and sewage supply⁴⁰. More recently, other urban structural issues emerged, such as (i) the lack of urban resilience because of climate changes;⁴¹ and (ii) the economic and sanitary⁴² crisis worsened by COVID-19.

- 1.5. Apart from the challenges faced by the Brazilian urbanization process, especially its high deficit of essential services and urban infrastructure, with extreme poverty levels, the country also presents a very diverse urban network and significant regional economic disparities. The South and Southeast offer better urban infrastructure conditions and services. In contrast, the North, Northeast, and Central West regions lack adequate urban services and infrastructure, also pressed by interregional migrations.
- 1.6. Although Brazilian cities face significant challenges, they also present opportunities to improve productivity, economic competitiveness, and social inclusion. Enhancing living conditions requires investments in essential public services and urban infrastructure and strengthening local government capacity building to implement comprehensive public policies. Past experiences show that integral urban interventions, combined with social initiatives and physical investments, can achieve positive results. The ongoing Brazilian economic crisis since 2014, intensified by the economic impact of COVID-19, exacerbated urban challenges and reduced public investment capacities. In this context, the active participation of development institutions and their experience in innovative solutions for economic reactivation is essential to address such challenges and mobilize public sector expertise and resources.

³⁶ Plano Agache

³⁷ From 1960, Brazilian cities started a process of "peripherization", not only by the low-income but also upper-income population (private condominiums). Sao Paulo Origin-Destination Surveys, for example, presented an increase of 266% in the number of kilometers driven between 1997 and 2007.

³⁸ According do IBGE (2010), around 11.4 million of people (6% of the total population in the period) live at informal resettlements in Brazil. The population of these informal resettlements are majority "brown" 68.4% (*pardo* in Portuguese) and are, at average, 27.9 years old. Rio de Janeiro is the Brazilian city with the largest number of people living in favelas, around 1.4 million of people (22% of the population).

³⁹ According to the Study of Diseconomies (ANTP, 2003), in 1997 the total amount of annual time losses with traffic congestion in 10 Brazilian cities is over 250 million pax/h for private transportation, and 256 million pax/h for public transportation.

⁴⁰ According to National System of Sewage Information, 2018, (SNIS for its acronym in Portuguese), 47% of the Brazilian households have no sewage treatment and 16% have no access to treated water.

⁴¹ According to the PBMC (*Painel Brasileiro de Mudanças Climáticas*) the main Brazilian problems involving climate change and cities resilience are: increasing of temperatures, rising sea levels, heat islands, flooding, water and food shortage, oceans acidification and extreme events; and, informal resettlements are the most impacted by the climate change effects.

⁴² <http://cadernos.ensp.fiocruz.br/csp/artigo/1116/a-pandemia-de-covid-19-uma-crise-sanitaria-e-humanitaria>

1.7. As presented before, in the last years, Brazilian cities are enduring the effects of a prolonged economic crisis, with worsening urban infrastructure conditions and unsustainable urban planning strategies recently aggravated by the pandemic. Development banks, especially the IDB, could play a vital role in recommending and financing innovative local urban solutions by integrating creative social, environmental, and economic ideas into new municipal projects and mobilizing the private sector's expertise and resources. In particular, the IDB is a well-positioned partner, considering its vast experience in designing and implementing initiatives such as PROCIDADES in Brazil or the Emerging and Sustainable Cities Initiative (ESCI) and several multisectoral projects in different countries of the region. However, most municipalities have institutional, technical, or budgetary deficiencies for preparing the necessary studies to obtain a national government recommendation for sovereign guarantees⁴³ and the IDB technical and quality acceptance for a credit operation.

1.8. In line with this request, the TC, "Integrated Urban Development Project Design Support for Brazilian Municipalities" will provide technical assistance to those municipalities during the preparation of proposals for urban development projects, including fostering private sector participation (e.g., constructors, promoters, bankers, fund managers, start-ups, fintech's, etc.) by creating a plan to encourage investment opportunities and disseminate knowledge and best practices.

2. **[municipality context]** this context will be adapted.

2.1. Xxx

3. **Objectives**

3.1. The general objective of this consultancy is to provide technical support on the preparation and modeling of Integrated Urban and Resilience Projects (IUSP) at the subnational level to carry out socioenvironmental analysis for comprehensive urban development projects, as an engine of economic reactivation, identifying, designing, and promoting better urban living conditions and socio-economic development.

4. **Key Activities**⁴⁴

4.1. The selected consultancy firm will deliver the activities described below:

4.1.1. **Task: Socioenvironmental Analyses**⁴⁵: [The socioenvironmental analysis must identify the environmental impacts expected by the set of interventions proposed for the Program and its components. The analysis should include measures to mitigate negative impacts. An

⁴³ This "recommendation" from de External Finance Commission (COFIEX for its acronym in Portuguese) of the Brazilian National Government, is a requirement to obtain the sovereign guarantee for credit operations with Multilateral Development Banks. Therefore, it is necessary to present to the COFIEX a consult letter (carta-consulta) with the technical description of the operation, as well as the petitioner fiscal situation.

⁴⁴ The final scope of the studies will be defined with the municipal technical authorities.

⁴⁵ This analysis will be aligned with ESG requirements.

assessment of the Beneficiary's environmental institutional capacity should also be made in order to assess the extent to which the Beneficiary has: (a) the capacity and mechanisms to monitor compliance with the measures required for the environmental assessment; (b) whether the executor has adequate environmental management and control systems; and (c) mechanisms for public consultation. The institutional capacity assessment helps to identify gaps that could be addressed by the project].

5. Expected Outcome and Deliverables / Project Schedule and Milestones

[Expected outcomes, among others: • Environmental assessment report - RAA; • Family resettlement plan; • Local or sectorial development plans; • Other technical studies that may be necessary depending on the specifics of the project]

]

6. Qualifications

6.1. The consultancy must have experience in similar studies. Preference will be given to firms that demonstrate experience in working with urban development integral projects. Experience with municipalities is also expected, as well as a relevant network in the area/country. Fluency in English and Portuguese is also required, as well as the capacity of working with minimum supervision.

6.2. The following documents must be submitted for analysis:

6.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.

6.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.

6.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.

6.2.4. Activity implementation schedule.

7. Acceptance Criteria

7.1. All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.

7.2. All documents contained in this TOR will be sent to the IDB's project manager and to the HUD/CBR specialist for approval.

7.3. Final reports must be previously approved by the IADB.

7.4. Every final product must be submitted to the Bank in an electronic file and printable hard copies (minimum of 10 per report/Memo per language). The electronic documents should include, in addition to a summary PowerPoint Presentation, a cover, one-page Executive Summary Memo

describing project(s)/study areas and recommendations, main document, and all annexes. The written report should be easily printable. Zip files will not be accepted as final reports, due to Records Management Section regulations.

- 7.5. All documents and other materials will need to be drafted in English and Portuguese and delivered in digital format in Word Microsoft Office 2007 or a more recent format.
- 7.6. Specify to whom the consulting firm will be reporting to, meetings, frequency, who will give comments to any reports, approve reports, documents, work, and give comments or any instructions for changes. It shall be Firm's responsibility for ensuring that such meetings are conducted, and such reports are submitted to the Bank (Define how you will accept the deliverables resulting from this TOR. The acceptance of deliverables must be clearly defined and understood by all parties. This section should include a description of how both parties will know when work is acceptable, how it will be accepted, and who is authorized to accept the work.)

8. Other Requirements

- 8.1. All travel should be included in the contract value.
- 8.2. The consultancy firm shall communicate information to the IDB and on a biweekly basis, or other period agreed to by all parties, which will be accomplished via the following methods: (i) utilization of available cloud-based document sharing services, such as Google Drive, DropBox, WeTransfer, Microsoft Office or similar service, for draft memo distribution, review, and comments; and (ii) Bi-weekly online meetings conducted via Microsoft Teams, or similar as approved by Project Manager.
- 8.3. The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

9. Schedule of Payments

- 9.1. Payment terms will be based on the deliverables.

[TOR#08: Component 2 – Institutional Evaluation]

TERMS OF REFERENCE

Technical Assistance for Designing of Integral Urban Development Projects for Brazilian Municipalities

Brazil – Institutional Evaluation

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities – Technical Urban Studies

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
- 1.2.** The objective of the referenced Technical Cooperation (TC) is to support Brazilian municipalities to design integral urban development projects to promote urban economic reactivation and socio-economic development. The specific objectives are (i) to set up a joint strategy with the Brazilian National Development Bank (BNDES)⁴⁶ to design and implement financial mechanisms for integral urban development projects, and (ii) provide technical assistance to medium and large-sized municipalities during the preparation of proposals for urban development projects, including mobilizing expertise and resources from the private sector; and (iii) ensure that those proposals contemplate the requirements and the necessary studies aligned with IDB strategies.
- 1.3.** Brazil is one of the most urbanized countries in the world, with a population of 211 million inhabitants (IBGE, 2020),⁴⁷ with approximately 85% of people living in urban areas, which generate 90% of the GDP and most of the socio-economic innovation. According to URBANET,⁴⁸ in 2018, Brazil had 37 medium-sized cities with a population between 300,000 and 1 million inhabitants, 19 cities ranging between 1 and 5 million people, and only two megacities with 10 million or more inhabitants.
- 1.4.** As a result of internal migrations, Brazil's accelerated urbanization process is a relatively recent phenomenon associated with a set of changes in the country's economy, society, and politics

⁴⁶ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

⁴⁷ Brazilian Institute of Geography and Statistics (IBGE for its acronym in Portuguese).

⁴⁸ <https://www.urbanet.info/urban-development-brazil/>

along the last century, especially in its second half. This process, however, was not followed by the advancement of comprehensive urban planning instruments. Although the first urban master plan was elaborated in 1930,⁴⁹ it was until 1988 that urbanistic regulations were created with the new Brazilian Constitution. In 2001, the national "Law of the Cities" (Estatuto das Cidades) fostered the creation of comprehensive master plans that were compulsory for cities above 20.000 habitants. The lack of legal enforcement associated with the economic crisis the country faced in the last decades generated urban structural problems such as (i) urban sprawling⁵⁰ – with the abandonment of the central urban areas and heritage sites; (ii) social inequalities – with the growth of informal settlements⁵¹; (iii) transportation diseconomies⁵² and mobility precarious conditions; and (iv) deficiency in water and sewage supply⁵³. More recently, other urban structural issues emerged, such as (i) the lack of urban resilience because of climate changes;⁵⁴ and (ii) the economic and sanitary⁵⁵ crisis worsened by COVID-19.

- 1.5. Apart from the challenges faced by the Brazilian urbanization process, especially its high deficit of essential services and urban infrastructure, with extreme poverty levels, the country also presents a very diverse urban network and significant regional economic disparities. The South and Southeast offer better urban infrastructure conditions and services. In contrast, the North, Northeast, and Central West regions lack adequate urban services and infrastructure, also pressed by interregional migrations.
- 1.6. Although Brazilian cities face significant challenges, they also present opportunities to improve productivity, economic competitiveness, and social inclusion. Enhancing living conditions requires investments in essential public services and urban infrastructure and strengthening local government capacity building to implement comprehensive public policies. Past experiences show that integral urban interventions, combined with social initiatives and physical investments, can achieve positive results. The ongoing Brazilian economic crisis since 2014, intensified by the economic impact of COVID-19, exacerbated urban challenges and reduced public investment capacities. In this context, the active participation of development institutions and their experience in innovative solutions for economic reactivation is essential to address such challenges and mobilize public sector expertise and resources.

⁴⁹ Plano Agache

⁵⁰ From 1960, Brazilian cities started a process of "peripherization", not only by the low-income but also upper-income population (private condominiums). Sao Paulo Origin-Destination Surveys, for example, presented an increase of 266% in the number of kilometers driven between 1997 and 2007.

⁵¹ According do IBGE (2010), around 11.4 million of people (6% of the total population in the period) live at informal resettlements in Brazil. The population of these informal resettlements are majority "brown" 68.4% (*pardo* in Portuguese) and are, at average, 27.9 years old. Rio de Janeiro is the Brazilian city with the largest number of people living in favelas, around 1.4 million of people (22% of the population).

⁵² According to the Study of Diseconomies (ANTP, 2003), in 1997 the total amount of annual time losses with traffic congestion in 10 Brazilian cities is over 250 million pax/h for private transportation, and 256 million pax/h for public transportation.

⁵³ According to National System of Sewage Information, 2018, (SNIS for its acronym in Portuguese), 47% of the Brazilian households have no sewage treatment and 16% have no access to treated water.

⁵⁴ According to the PBMC (*Painel Brasileiro de Mudanças Climáticas*) the main Brazilian problems involving climate change and cities resilience are: increasing of temperatures, rising sea levels, heat islands, flooding, water and food shortage, oceans acidification and extreme events; and, informal resettlements are the most impacted by the climate change effects.

⁵⁵ <http://cadernos.ensp.fiocruz.br/csp/artigo/1116/a-pandemia-de-covid-19-uma-crise-sanitaria-e-humanitaria>

- 1.7. As presented before, in the last years, Brazilian cities are enduring the effects of a prolonged economic crisis, with worsening urban infrastructure conditions and unsustainable urban planning strategies recently aggravated by the pandemic. Development banks, especially the IDB, could play a vital role in recommending and financing innovative local urban solutions by integrating creative social, environmental, and economic ideas into new municipal projects and mobilizing the private sector's expertise and resources. In particular, the IDB is a well-positioned partner, considering its vast experience in designing and implementing initiatives such as PROCIDADES in Brazil or the Emerging and Sustainable Cities Initiative (ESCI) and several multisectoral projects in different countries of the region. However, most municipalities have institutional, technical, or budgetary deficiencies for preparing the necessary studies to obtain a national government recommendation for sovereign guarantees⁵⁶ and the IDB technical and quality acceptance for a credit operation.
- 1.8. In line with this request, the TC, "Integrated Urban Development Project Design Support for Brazilian Municipalities" will provide technical assistance to those municipalities during the preparation of proposals for urban development projects, including fostering private sector participation (e.g., constructors, promoters, bankers, fund managers, start-ups, fintech's, etc.) by creating a plan to encourage investment opportunities and disseminate knowledge and best practices.
2. **[municipality context]** this context will be adapted.
- 2.1. Xxx
3. **Objectives**
- 3.1. The general objective of this consultancy is to provide technical support on the preparation and modeling of Integrated Urban and Resilience Projects (IUSP) at the subnational level to carry out an institutional evaluation of the municipality to verify its institutional capacity for developing and implementing comprehensive urban development projects, as an engine of economic reactivation, identifying, designing, and promoting better urban living conditions and socio-economic development.
4. **Key Activities**⁵⁷
- 4.1. The selected consultancy firm will deliver the activities described below:
- 4.1.1. **Task 1: Institutional Aspects:** [In order to address the main institutional challenges of the agencies involved in the implementation of projects or complex works, an institutional

⁵⁶ This "recommendation" from the External Finance Commission (COFIEC for its acronym in Portuguese) of the Brazilian National Government, is a requirement to obtain the sovereign guarantee for credit operations with Multilateral Development Banks. Therefore, it is necessary to present to the COFIEC a consult letter (carta-consulta) with the technical description of the operation, as well as the petitioner fiscal situation.

⁵⁷ The final scope of the studies will be defined with the municipal technical authorities.

capacity analysis must be undertaken during the preparation of the project with a view to assessing the capacity of a particular agency (or agencies) to implement a specific project. The analysis should focus on: (a) institutional culture, leadership, vision, strategy, systems and funds; (b) commitment and incentives to implement the project; (c) the adequacy of means to carry out institutional reforms and changes sought by the project, where applicable; (d) records of the execution of other projects in the sector; (e) capacity for monitoring and evaluation and experience, and (f) team size and training, including an assessment of vacancy and turnover. The analysis should provide an indication of technical assistance, consultancy services, management / team training, and information technology that will really address existing deficiencies, and which should be realistically funded by the project. Finally, the evaluation should examine whether the mechanisms are already allocated (or with a view to soon being allocated) in order to guarantee a sustainable implementation].

4.1.2. **Task 2: Complementary Studies:** [characterization and analyses of the regional environment and urban experiences in terms of innovation solutions, gender and diversity inclusion, urban resilience in climate change adaptation and economic reactivation, to be promoted in the projects].

4.1.3.

5. Expected Outcome and Deliverables / Project Schedule and Milestones

[Expected outcomes, among others: • Institutional capacity report; • Other technical studies that may be necessary depending on the specifics of the project]

6. Qualifications

6.1. The consultancy must have experience in similar studies. Preference will be given to firms that demonstrate experience in working with urban development integral projects. Experience with municipalities is also expected, as well as a relevant network in the area/country. Fluency in English and Portuguese is also required, as well as the capacity of working with minimum supervision.

6.2. The following documents must be submitted for analysis:

6.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.

6.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.

6.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.

6.2.4. Activity implementation schedule.

7. Acceptance Criteria

- 7.1. All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.
- 7.2. All documents contained in this TOR will be sent to the IDB's project manager and to the HUD/CBR specialist for approval.
- 7.3. Final reports must be previously approved by the IADB.
- 7.4. Every final product must be submitted to the Bank in an electronic file and printable hard copies (minimum of 10 per report/Memo per language). The electronic documents should include, in addition to a summary PowerPoint Presentation, a cover, one-page Executive Summary Memo describing project(s)/study areas and recommendations, main document, and all annexes. The written report should be easily printable. Zip files will not be accepted as final reports, due to Records Management Section regulations.
- 7.5. All documents and other materials will need to be drafted in English and Portuguese and delivered in digital format in Word Microsoft Office 2007 or a more recent format.
- 7.6. Specify to whom the consulting firm will be reporting to, meetings, frequency, who will give comments to any reports, approve reports, documents, work, and give comments or any instructions for changes. It shall be Firm's responsibility for ensuring that such meetings are conducted, and such reports are submitted to the Bank (Define how you will accept the deliverables resulting from this TOR. The acceptance of deliverables must be clearly defined and understood by all parties. This section should include a description of how both parties will know when work is acceptable, how it will be accepted, and who is authorized to accept the work.)

8. Other Requirements

- 8.1. All travel should be included in the contract value.
- 8.2. The consultancy firm shall communicate information to the IDB and on a biweekly basis, or other period agreed to by all parties, which will be accomplished via the following methods: (i) utilization of available cloud-based document sharing services, such as Google Drive, DropBox, WeTransfer, Microsoft Office or similar service, for draft memo distribution, review, and comments; and (ii) Bi-weekly online meetings conducted via Microsoft Teams, or similar as approved by Project Manager.
- 8.3. The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

9. Schedule of Payments

- 9.1. Payment terms will be based on the deliverables.

[TOR#09: Component 2 – Dissemination]

TERMS OF REFERENCE

Technical Assistance for Designing of Integral Urban Development Projects for Brazilian Municipalities

Brazil

BR-T1474

[Web link to approved document]

Integrated Urban Development Project Design Support for Brazilian Municipalities – Technical Urban Studies – Dissemination

1. Background and Justification

- 1.1.** Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.
- 1.2.** The objective of the referenced Technical Cooperation (TC) is to support Brazilian municipalities to design integral urban development projects to promote urban economic reactivation and socio-economic development. The specific objectives are (i) to set up a joint strategy with the Brazilian National Development Bank (BNDES)⁵⁸ to design and implement financial mechanisms for integral urban development projects, and (ii) provide technical assistance to medium and large-sized municipalities during the preparation of proposals for urban development projects, including mobilizing expertise and resources from the private sector; and (iii) ensure that those proposals contemplate the requirements and the necessary studies aligned with IDB strategies.
- 1.3.** Brazil is one of the most urbanized countries in the world, with a population of 211 million inhabitants (IBGE, 2020),⁵⁹ with approximately 85% of people living in urban areas, which generate 90% of the GDP and most of the socio-economic innovation. According to URBANET,⁶⁰ in 2018, Brazil had 37 medium-sized cities with a population between 300,000 and 1 million inhabitants, 19 cities ranging between 1 and 5 million people, and only two megacities with 10 million or more inhabitants.
- 1.4.** As a result of internal migrations, Brazil's accelerated urbanization process is a relatively recent phenomenon associated with a set of changes in the country's economy, society, and politics

⁵⁸ Banco Nacional de Desenvolvimento Econômico e Social (in Portuguese).

⁵⁹ Brazilian Institute of Geography and Statistics (IBGE for its acronym in Portuguese).

⁶⁰ <https://www.urbanet.info/urban-development-brazil/>

along the last century, especially in its second half. This process, however, was not followed by the advancement of comprehensive urban planning instruments. Although the first urban master plan was elaborated in 1930,⁶¹ it was until 1988 that urbanistic regulations were created with the new Brazilian Constitution. In 2001, the national "Law of the Cities" (Estatuto das Cidades) fostered the creation of comprehensive master plans that were compulsory for cities above 20.000 habitants. The lack of legal enforcement associated with the economic crisis the country faced in the last decades generated urban structural problems such as (i) urban sprawling⁶² – with the abandonment of the central urban areas and heritage sites; (ii) social inequalities – with the growth of informal settlements⁶³; (iii) transportation diseconomies⁶⁴ and mobility precarious conditions; and (iv) deficiency in water and sewage supply⁶⁵. More recently, other urban structural issues emerged, such as (i) the lack of urban resilience because of climate changes;⁶⁶ and (ii) the economic and sanitary⁶⁷ crisis worsened by COVID-19.

- 1.5. Apart from the challenges faced by the Brazilian urbanization process, especially its high deficit of essential services and urban infrastructure, with extreme poverty levels, the country also presents a very diverse urban network and significant regional economic disparities. The South and Southeast offer better urban infrastructure conditions and services. In contrast, the North, Northeast, and Central West regions lack adequate urban services and infrastructure, also pressed by interregional migrations.
- 1.6. Although Brazilian cities face significant challenges, they also present opportunities to improve productivity, economic competitiveness, and social inclusion. Enhancing living conditions requires investments in essential public services and urban infrastructure and strengthening local government capacity building to implement comprehensive public policies. Past experiences show that integral urban interventions, combined with social initiatives and physical investments, can achieve positive results. The ongoing Brazilian economic crisis since 2014, intensified by the economic impact of COVID-19, exacerbated urban challenges and reduced public investment capacities. In this context, the active participation of development institutions and their experience in innovative solutions for economic reactivation is essential to address such challenges and mobilize public sector expertise and resources.

⁶¹ Plano Agache

⁶² From 1960, Brazilian cities started a process of "peripherization", not only by the low-income but also upper-income population (private condominiums). Sao Paulo Origin-Destination Surveys, for example, presented an increase of 266% in the number of kilometers driven between 1997 and 2007.

⁶³ According do IBGE (2010), around 11.4 million of people (6% of the total population in the period) live at informal resettlements in Brazil. The population of these informal resettlements are majority "brown" 68.4% (*pardo* in Portuguese) and are, at average, 27.9 years old. Rio de Janeiro is the Brazilian city with the largest number of people living in favelas, around 1.4 million of people (22% of the population).

⁶⁴ According to the Study of Diseconomies (ANTP, 2003), in 1997 the total amount of annual time losses with traffic congestion in 10 Brazilian cities is over 250 million pax/h for private transportation, and 256 million pax/h for public transportation.

⁶⁵ According to National System of Sewage Information, 2018, (SNIS for its acronym in Portuguese), 47% of the Brazilian households have no sewage treatment and 16% have no access to treated water.

⁶⁶ According to the PBMC (*Painel Brasileiro de Mudanças Climáticas*) the main Brazilian problems involving climate change and cities resilience are: increasing of temperatures, rising sea levels, heat islands, flooding, water and food shortage, oceans acidification and extreme events; and, informal resettlements are the most impacted by the climate change effects.

⁶⁷ <http://cadernos.ensp.fiocruz.br/csp/artigo/1116/a-pandemia-de-covid-19-uma-crise-sanitaria-e-humanitaria>

- 1.7. As presented before, in the last years, Brazilian cities are enduring the effects of a prolonged economic crisis, with worsening urban infrastructure conditions and unsustainable urban planning strategies recently aggravated by the pandemic. Development banks, especially the IDB, could play a vital role in recommending and financing innovative local urban solutions by integrating creative social, environmental, and economic ideas into new municipal projects and mobilizing the private sector's expertise and resources. In particular, the IDB is a well-positioned partner, considering its vast experience in designing and implementing initiatives such as PROCIDADES in Brazil or the Emerging and Sustainable Cities Initiative (ESCI) and several multisectoral projects in different countries of the region. However, most municipalities have institutional, technical, or budgetary deficiencies for preparing the necessary studies to obtain a national government recommendation for sovereign guarantees⁶⁸ and the IDB technical and quality acceptance for a credit operation.
- 1.8. In line with this request, the TC, "Integrated Urban Development Project Design Support for Brazilian Municipalities" will provide technical assistance to those municipalities during the preparation of proposals for urban development projects, including fostering private sector participation (e.g., constructors, promoters, bankers, fund managers, start-ups, fintech's, etc.) by creating a plan to encourage investment opportunities and disseminate knowledge and best practices.
2. **[municipality context]** this context will be adapted.
- 2.1. Xxx
3. **Objectives**
- 3.1. The general objective of this consultancy is to elaborate dissemination materials and to prepare dissemination webinars concerning the development of Integrated Urban and Resilience Projects (IUSP) at the subnational level.
4. **Key Activities**⁶⁹
- 4.1. The selected consultancy firm will deliver the activities described below:
- 4.1.1. **Task: Dissemination:** [Develop documents and information to be disseminate with key local actors and stakeholders and support the dissemination of the studies elaborated through webinars organization and materials preparation].
5. **Expected Outcome and Deliverables / Project Schedule and Milestones**

⁶⁸ This "recommendation" from the External Finance Commission (COFIEC for its acronym in Portuguese) of the Brazilian National Government, is a requirement to obtain the sovereign guarantee for credit operations with Multilateral Development Banks. Therefore, it is necessary to present to the COFIEC a consult letter (carta-consulta) with the technical description of the operation, as well as the petitioner fiscal situation.

⁶⁹ The final scope of the studies will be defined with the municipal technical authorities.

[Expected outcomes, among others: • dissemination material elaborated and webinars]

6. Qualifications

6.1. The consultancy must have experience in similar activities.

6.2. The following documents must be submitted for analysis:

6.2.1. Curriculum vitae of consultants indicated by the consultancy firm to deliver the activities, including their experience with similar projects and three references.

6.2.2. Technical proposal, including the description of the institutions, their relevance to the consultancy objective, as well as the methodology that will be used.

6.2.3. Financial proposal, containing detailed budget (per task/deliverable) and activities.

6.2.4. Activity implementation schedule.

7. Acceptance Criteria

7.1. All activities contained in this ToR must be previously agreed with the project manager assigned by the IDB.

7.2. All documents contained in this TOR will be sent to the IDB's project manager and to the HUD/CBR specialist for approval.

7.3. Products must be previously approved by the IADB.

7.4. Every final product must be submitted to the Bank in an electronic file and printable hard copies (minimum of 10 per report/Memo per language). The electronic documents should include, in addition to a summary PowerPoint Presentation, a cover, one-page Executive Summary Memo describing project(s)/study areas and recommendations, main document, and all annexes. The written report should be easily printable. Zip files will not be accepted as final reports, due to Records Management Section regulations.

7.5. All documents and other materials will need to be drafted in English and Portuguese and delivered in digital format in Word Microsoft Office 2007 or a more recent format.

7.6. Specify to whom the consulting firm will be reporting to, meetings, frequency, who will give comments to any reports, approve reports, documents, work, and give comments or any instructions for changes. It shall be Firm's responsibility for ensuring that such meetings are conducted, and such reports are submitted to the Bank (Define how you will accept the deliverables resulting from this TOR. The acceptance of deliverables must be clearly defined and understood by all parties. This section should include a description of how both parties will know when work is acceptable, how it will be accepted, and who is authorized to accept the work.)

8. Other Requirements

- 8.1.** All travel should be included in the contract value.
- 8.2.** The consultancy firm shall communicate information to the IDB and on a biweekly basis, or other period agreed to by all parties, which will be accomplished via the following methods: (i) utilization of available cloud-based document sharing services, such as Google Drive, DropBox, WeTransfer, Microsoft Office or similar service, for draft memo distribution, review, and comments; and (ii) Bi-weekly online meetings conducted via Microsoft Teams, or similar as approved by Project Manager.
- 8.3.** The consultancy firm is responsible for communicating to the IDB in a timely manner (two-week minimum) its pre-meeting lists of data needs, key project contacts, potential stakeholder interviewees and map of study areas/maps and illustrations for study/project kick off meeting agenda and notes.

9. Schedule of Payments

- 9.1.** Payment terms will be based on the deliverables.

