8. Annexes:

- Map of actors:

International development cooperation program: Just Transition in the energy and urban sectors in Brazil
Technical Cooperation (TC) project (module): Sustainable Urban Development III in Brazil

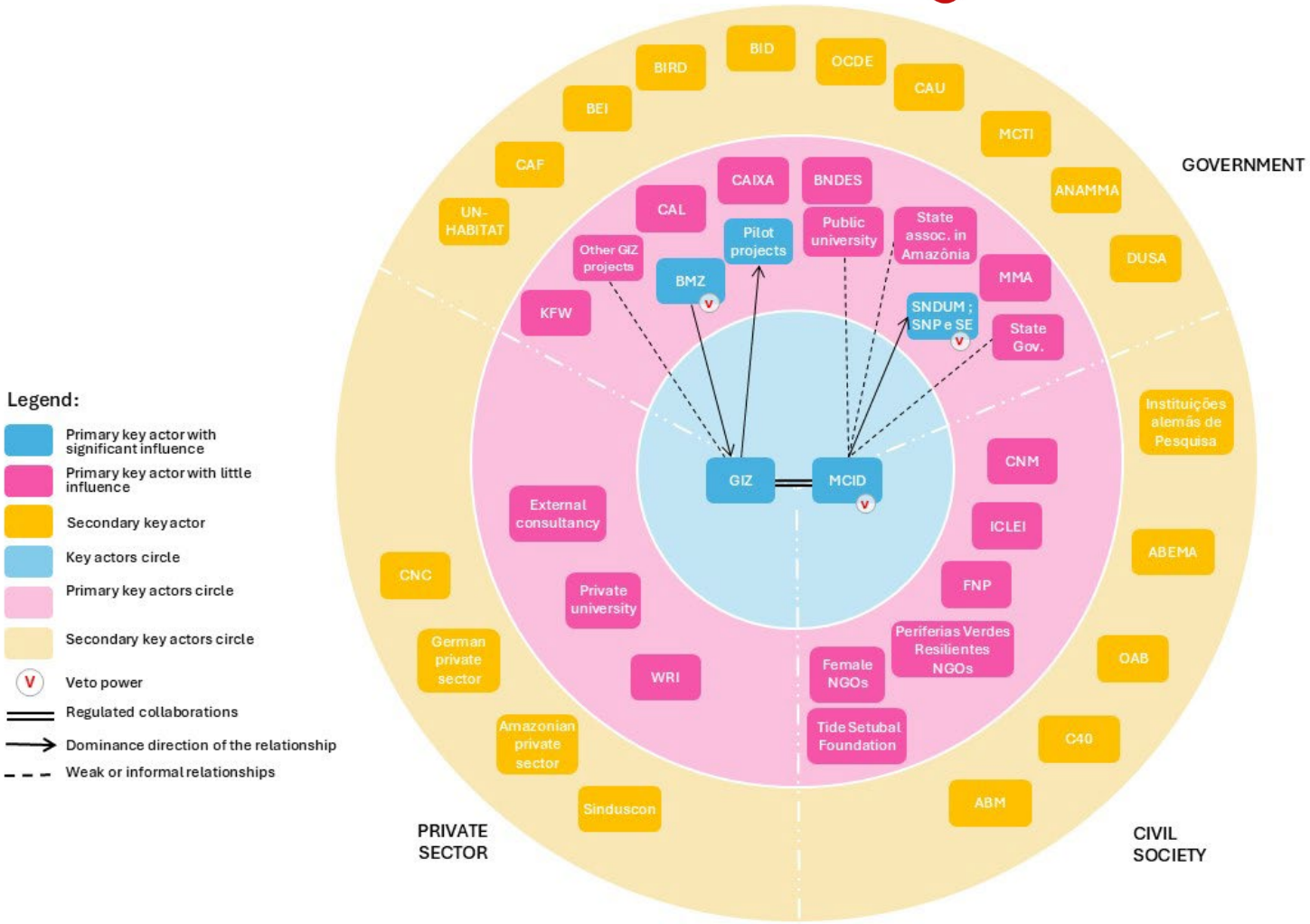
Project number: G-012325-001
The stakeholder map, in general, serves to identify and present the relevant actors to the project and the relationships between them, and is applied in situations where it is important to know the actors involved and to monitor the relationships between them over the course of the project.

In the specific case of the Cidade Presente 2 project (DUS III), which has been underway since December 2025, an initial exercise was developed on the relevant actors within the scope of the project up to that point. The identified actors were distributed according to their importance, proximity, and relationships built with the project's key core. The map is divided into key actors (including those directly linked to the project coordination), pri-mary and secondary actors, and these, in turn, are divided into three sectors of action: government, private sector, and civil society.

Primary actors are those actors who are directly affected by the project, either as the designated beneficiaries, or because they stand to gain – or lose – power and privilege as a result of the project. This category includes those who are negatively affected by the project. Secondary actors are those actors whose involvement in the project is only indirect or temporary, as is the case, for instance with service providers.

Actors who are able to use their skills, knowledge or position of power to significantly influence a project are called key actors. They are usually involved in making decisions within a project. Actors without whose support and participation the targeted results of a project cannot be achieved, or who may even be able to veto the project are termed veto players. Veto players can be key, primary or secondary actors. The stronger and more influential an actor is, the more this actor will tend to see himself or herself as the sole actor and may seek to speak on behalf of or exclude other actors. In other words, in the process of negotiating participation, actors position themselves not only through their relationship to the issues at stake, their institutional position or their resources, but also with respect to the power they have to influence the participation of other actors.

The following is a graphic representation of the current stakeholder map, which may be subject to change as the project progresses:


Legend:
Primary key actor with significant influence
Primary key actor with little influence
Secondary key actor
Key actors circle
Primary key actors circle
Secondary key actors circle
V
Veto power
Regulated collaborations
Dominance direction of the relationship
Weak or informal relationships
BID
OCDE
BIRD
CAU
BEI
MCTI
CAF
ANAMMA
UN-HABITAT
DUSA
CAIXA
BNDES
CAL
Public university
State assoc. in Amazônia
Pilot projects
Other GIZ projects
BMZ
MMA
KFW
SNDUM ; SNPeSE
State Gov.
GOVERNMENT
Instituições alemãs de Pesquisa
CNM
GIZ
MCID
External consultancy
ICLEI
ABEMA
CNC
FNP
Private university
Periferias Verdes Resilientes NGOs
German private sector
OAB
Female NGOs
WRI
Tide Setubal Foundation
C40
Amazonian private sector
ABM
Sinduscon
PRIVATE SECTOR
CIVIL SOCIETY

- Module Impact Matrix (project):

Module name (project) Sustainable Urban Development III in Brazil, DUS III	Project number G-012325-001	Duration/Validity 12/2025 to 11/2028

Objectives	Indicators	Data sources and collection date:	Assumptions:
General Objective of the Sustainable Urban Development III in Brazil Project (DUS III, Cidade Presente 2) Implementation of integrated, inclusive and climate-just urban development has been strengthened in marginalized urban areas in Brazil.	Indicator 1 of the general objective (Outcome *Indicator* 0.1) In 3 pilot cities, sub-measures of demonstration projects have been implemented for integrated, inclusive and climate-just urban development in marginalized urban areas, 2 of which focus on gender and racial equality. Baseline: 6 demonstration projects, 2 of which focus on gender and racial equality (2025) Target value: 9 demonstration projects, 4 of which focus on gender and racial equality (2028)	Definitions: Integrated: systemic consideration of relevant urban development sectors (e.g. housing, mobility, open/free spaces, drainage), participation of different stakeholders, consideration of different spatial and administrative levels. Inclusive: equal consideration of different social groups - especially disadvantaged groups - and women (gender equality). Climate justice: Approaches that combine climate change mitigation and adaptation with social justice and distribute the consequences of climate change fairly. Demonstration projects: projects with a limited, defined spatial scope focused on specific problems, exemplifying approaches to integrated, inclusive urban development with climate justice. Marginalized urban areas: a) urban peripheries (e.g. informal settlements, neighborhoods with precarious living conditions, *favelas*) and b) cities in the Amazon region. Urban stakeholders: municipal administrations, scientific institutions, civil society and the private sector in urban areas, as well as national and regional institutions with a mandate for urban development. Data source: In-house research Data collection: Qualitative assessment of relevant project implementation documents (e.g. reports,	There is continuous political will to advance change processes toward integrated, inclusive urban development with a focus on climate justice, especially in marginalized urban areas. Integrated urban development approaches are accepted at the local level and applied to solve problems in marginalized urban areas. Resources and enabling structural conditions for the implementation of demonstration projects exist at the local level. Other Brazilian cities are using tried and tested approaches for integrated urban development. MCID is willing to optimize existing policies, programs and implementation strategies (especially for urban peripheries) based on evidence data and monitoring or local implementation experiences. Financing institutions are willing to adapt financing access criteria for cities

Objectives	Indicators	Data sources and collection date:	Assumptions:
		documentation of implemented sub-measures) in relation to the content of the demonstration projects and the achievement of objectives. “With sub-measures implemented” means that the necessary activities (e.g. renovations, small construction measures, functional optimization, expansion of services/use, self-help campaigns) for the execution of the demonstration projects have been implemented or are in the process of being implemented. Data collection date: 06/2028	in the Amazon region in order to improve their access conditions.
	Indicator 2 of the general objective (Outcome *Indicator* 0.2) 2 national policy programs for integrated, inclusive urban development with a focus on climate justice in urban peripheries have been adapted based on local monitoring results Baseline: 1 national policy program (2025) Target value: 3 national policy programs (2028)	Definitions: National policy programs: policies, implementation strategies and financing programs of the Ministry of Cities (MCID) (especially *Periferia Viva*). Urban peripheries: see definition of “marginalized urban areas” under Outcome *Indicator* 1 (above). Adaptation based on local monitoring results: Conceptual, strategic or operational changes in the context of public policy programs and corresponding implementation guidelines, in which the results of a monitoring system supported by municipal networks were used Data source: In-house research Data collection: Qualitative assessment (before and after changes) of policy programs and process documentation (e.g. minutes; process documentation; technical reports; concept notes; and policy documents) in relation to the consideration of monitoring results Data collection date: 12/2026 and 06/2028	

Objectives	Indicators	Data sources and collection date:	Assumptions:
	Indicator 3 of the general objective (Outcome *Indicator* 0.3) 1 financing mechanism for integrated, inclusive urban development with a focus on climate justice that incorporates adapted criteria to improve access for cities in the Amazon region Baseline: 0 financing mechanisms (the criteria of current financing mechanisms do not take into account the specificities of cities in the Amazon region) (2025) Target value: 1 financing mechanism (2028)	Definitions: Financing mechanism: e.g. state, national or international financing programs; financing offers from regional, national or international development banks. Incorporation of adapted criteria (to improve access for cities in the Amazon region): Financing mechanisms include new or adapted conditions for access to financing for cities in the Amazon region. Data source: In-house research Data collection: Qualitative assessment (before and after changes) of relevant documents (e.g. terms and conditions of calls for proposals; financing guidelines; access to solvency/creditworthiness regulations; technical guidance) in relation to adapted criteria. Data collection date: 06/2028	
Output 1 (Specific objective 1) The institutional capacities of selected cities in the Amazon region to implement integrated, inclusive urban development with a focus on	Output Indicator 1.1 2 cities in the Amazon region have developed a demonstration project focused on local economic development, including a financing concept, in cooperation with private sector stakeholders for integrated, inclusive urban development with a focus on climate justice	Definitions: Development of demonstration projects: Development of a masterplan/project concept with goals, costs, implementation stages, implementation area, etc. Cooperation with private sector stakeholders: The development of demonstration projects, including financing concepts, is carried out in coordination, for example, with the Chamber of Commerce; trade associations and/or companies. Data source: In-house research	MCID continues to recognize the added value of integrated urban development approaches, and uses its mandate and competencies to promote/strengthen this approach and has the political will to support it through policies and programs, especially in marginalized urban areas. Relevant national-level policies, financing and investment programs

Objectives	Indicators	Data sources and collection date:	Assumptions:
climate justice are strengthened.	Baseline: 0 Cities (Urban development in cities in the Amazon region is not focused on spatial/multisectoral integration, social inclusion and climate justice, and local economic development.) (2025) Target value: 2 cities (2027)	Data collection: Qualitative assessment of relevant documents of the demonstration projects (e.g. project concept; process documentation; minutes/participation records; financing concept) in relation to their relevance for integrated, inclusive urban development promoting climate justice and focused on local economic development and cooperation with private sector stakeholders. A demonstration project is considered to have been developed if a masterplan or project concept has been developed with objectives, costs, implementation stages, implementation area, etc. Data collection date: 06/2027	(e.g.: Growth Acceleration Program (Novo PAC), "Periferia Viva" Program, Coalition for Sustainable Urban Development in the Amazon Region) will continue to be implemented and will remain in force as an implementation framework for the module. Municipal administrations, private sector stakeholders and state organizations recognize the added value of integrated urban development approaches in cities in the Amazon region. Governments and administrations of partner cities provide sufficient staff and investment funds and show their willingness to implement the demonstration projects. There is a willingness to cooperate within and among municipal administrations, as well as among civil society stakeholders. Existing networks are maintained, are open to knowledge transfer and exchange formats in the field of integrated urban development, and their offerings are accepted/used by cities.
	Output Indicator 1.2 5 technical advisory services provided and documented by organizations at the state level for the implementation of integrated, inclusive urban development with a focus on climate justice for Amazon region cities. Baseline: 0 technical advisory services (state organizations do not currently provide specialized advice on the implementation of integrated, inclusive and climate-smart urban development for cities) (2025) Target value: 5 advisory services (2028)	Definitions: Technical advisory services: technical support, e.g. in project development, in planning actions/measures, in requesting financing, in implementation. Organizations at the state level: e.g. regional associations of cities or municipalities or administrative institutions with a mandate in the area of urban development with technical departments, including qualified staff/equipment and support services for cities. Data source: In-house research Data collection: Qualitative assessment of relevant documents (e.g. formation/establishment record; terms of reference; operational planning; offer of support; documentation of advisory services for specific cities) and documentation of the results of technical advisory services in the respective cities and by organizations at the state level. Data collection date: 06/2028	

Objectives	Indicators	Data sources and collection date:	Assumptions:
Output 2 (Specific objective 2) The institutional capacities of selected cities in urban peripheries to implement integrated, inclusive, gender-sensitive urban development promoting climate justice are strengthened.	Output Indicator 2.1 2 cities have developed a demonstration project in urban peripheries in cooperation with civil society stakeholders for integrated, inclusive urban development with a focus on climate justice Baseline: 3 cities, 1 of which with demonstration projects focused on gender and ethnic equality (2025) Target value: 5 cities, 2 of which with demonstration projects focused on gender and ethnic equality (2027)	Definitions: Cooperation with civil society stakeholders: the development of demonstration projects is carried out in coordination with neighborhood organizations; neighborhood networks and/or interest groups. Development of demonstration projects: see definition under Output Indicator 1.1 (above) Data source: In-house research Data collection: Qualitative assessment of relevant documents (e.g.: project concept; process documentation; minutes/participation records; financing concept) in relation to their relevance for integrated, inclusive urban development promoting climate justice, with a focus on urban peripheries and cooperation with civil society stakeholders. Data collection date: 06/2027	
	Output Indicator 2.2 1 cooperation mechanism has been institutionalized between the municipal administration and civil society stakeholders for integrated, inclusive urban development with a focus on climate justice in urban peripheries, prioritizing the strengthening of women's leadership Baseline: 3 institutionalized cooperation mechanisms (2025) Target value: 4 institutionalized cooperation mechanisms (2028)	Definitions: Institutionalized cooperation mechanism: long-term cooperation system established, with agreed regulations, processes and rules. Data source: In-house research Data collection: Qualitative assessment of relevant documents (e.g. formation/establishment record; terms of reference; operational plan; minutes; participant lists) in relation to their relevance to the field of urban development, the involvement of civil society stakeholders, and the strengthening of women's leadership. Data collection date: 06/2028	

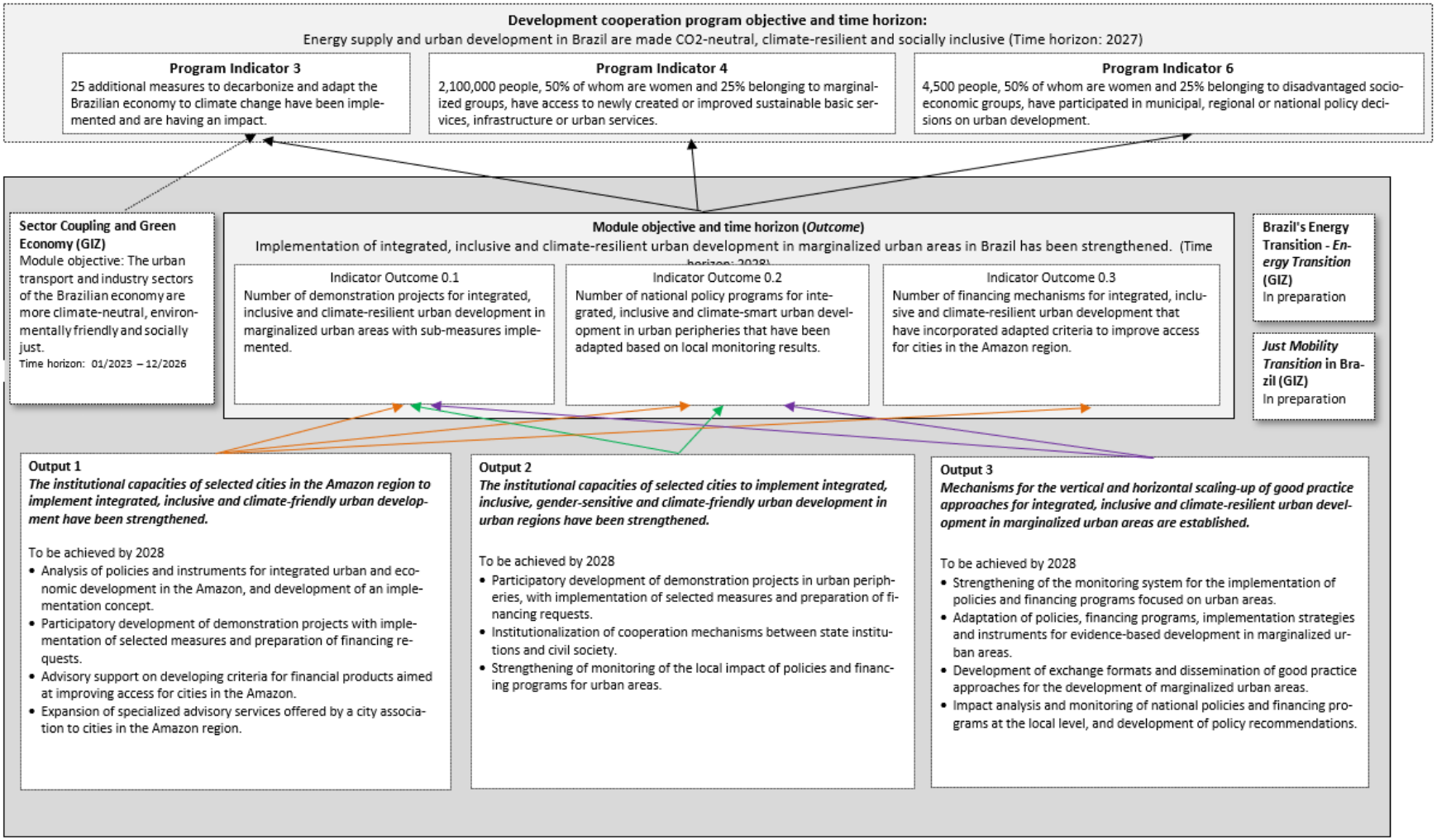
Objectives	Indicators	Data sources and collection date:	Assumptions:
Output 3 (Specific objective 3) Mechanisms for the vertical and horizontal scaling ("*upscaling*") of good practices for integrated, inclusive urban development with a focus on climate justice in marginalized urban areas are established.	Output Indicator 3.1 2 practical tools for integrated, inclusive urban development with a focus on climate justice in marginalized urban areas have been disseminated by selected municipal networks to multiplier cities Baseline: 2 practical tools (2025) Target value: 4 practical tools (2028)	Definitions: Practical tools: e.g. model/exemplary approaches; planning and implementation methods; documentation of implementation examples; practical guides/guidance. Municipal networks: e.g. Network for Sustainable Urban Development (ReDUS); Brazilian Network of Planning Institutes (InRede); "Periferia Viva" Network (RePV); National Front of Mayors (FNP). Multiplier cities: Cities that adopt the practical tools, and the related implementation experiences, from the project's partner cities and show commitment or first steps toward implementation. Disseminated: Practical tools are disseminated to other cities through knowledge and communication products or exchange formats in a manner suited to the target group. Data source: In-house research Data collection: Qualitative assessment of relevant documents (e.g.: concept note; practical guide/guidance; documentation; publication) with regard to the relevance of the content and its dissemination to cities. Data collection date: 06/2028	
	Output Indicator 3.2 2 evidence-based policy recommendations for integrated, inclusive urban development with a focus on climate justice in marginalized urban areas have been made available by a municipal network to MCID, 1 focused on financing for Amazon region cities and 1	Definitions: Policy recommendation: evidence-based proposals for adapting policies, implementation strategies, financing programs and instruments, formulated by municipal networks. A policy recommendation is considered available if it has been formally submitted by municipal networks to the responsible MCID department (by mail, electronically or as part of related in-person events). Data source: In-house research	

Objectives	Indicators	Data sources and collection date:	Assumptions:
	focused on monitoring in urban peripheries Baseline: 1 policy recommendation ("Periferia Viva" *implementation guideline*), of which 0 focus on financing for cities in the Amazon region and 1 focuses on monitoring in urban peripheries (2025) Target value: 3 policy recommendations, with 1 focused on financing for cities in the Amazon region and 2 focused on monitoring in urban peripheries (2027)	Data collection: Qualitative assessment of suitable/relevant documents (e.g.: *policy paper*, review documentation/*feedback*; catalog of recommendations) in relation to the relevance of the content, local evidence and documented submission to MCID. Data collection date: 03/2027	

Sustainable Urban Development III in Brazil
Project/module number 2023.2143.8

- Impact Logic (Logframe) for a module

Sustainable Urban Development III in Brazil
Project number: G-012325-001



- Module Offer (Project)

International development cooperation program: Just Transition in the energy and urban sectors in Brazil
Technical Cooperation (TC) project (module): Sustainable Urban Development III in Brazil
Project number: 2023.2143.8

Presentation of an offer for a Technical Cooperation (TC) project (module) / consecutive Technical Cooperation (TC) module

At an estimated offer price of up to EUR 4,000,000

Parts of the German contribution will be passed on to contractors. (*Note: this sentence is an administrative passage, required under the agreement between BMZ and GIZ*)

Comments (included in this translated version by the GIZ project team; they are not part of the original offer):
In BMZ language, and therefore in this document, the word “module” is used as a synonym for project, since all cooperation projects are “modules” of the “international development cooperation program”, which encompasses several modules (for us, “projects”).
Since this module (project) offer is addressed to BMZ, it is necessary to identify the gaps and challenges that need to be addressed with the resource. For this reason, the offer sometimes refers to challenges that exist at all levels of government.
This is a translation of the offer that was submitted to BMZ in early 2025, so some information refers to that period.
In this offer and within the scope of the project, the term “marginalized urban areas” has been defined to include:
the Amazon region (as a regionally marginalized region with the greatest lack of quality infrastructure in the country); and
urban peripheries.

List of abbreviations

ANDUS	Technical Cooperation Project “Support to the national agenda for sustainable urban development”
BNDES	National Bank for Economic and Social Development
CAIXA	Caixa Econômica Federal
DUS	Technical Cooperation Project Sustainable Urban Development in Brazil
FNP	National Front of Mayors

IDB	*Interamerican Development Bank* Inter-American Development Bank
InREDE	Brazilian Network of Planning Institutes
MCID	Ministry of Cities
MMA	Ministry of the Environment and Climate Change
NDC	*Nationally Determined Contributions* Nationally Determined Contributions (NDCs)
Novo PAC	New Growth Acceleration Program
PV	“Periferia Viva” Program
Rede PV	“Periferia Viva” Network
ReDUS	Network for Sustainable Urban Development
SE	Executive Secretariat
SNDUM	National Secretariat for Urban and Metropolitan Development
WRI	*World Resources Institute*
QM	*Qualitätsmerkmal* Quality criterion (QC)

1. Short description / executive summary

Module (project) title	Sustainable Urban Development III in Brazil, DUS III *GIZ note (January 2026): The project is officially named "DUS III", but for external communication, the GIZ team created the name "Cidade Presente". Since this project is a successor to the "Cidade Presente" project, it will be referred to as "Cidade Presente 2" in the project's external communication.*
Central topic	Climate and Energy – Just Transition
Field of action	Sustainable urban development
Scope of action (Note: internal GIZ modality/classification)	☐ Yes ☒ No
International development cooperation program	Just Transition in the energy and urban sectors in Brazil
Objective of the international cooperation program / strategic reference	Energy supply and urban development in Brazil are made CO2-neutral, resilient to climate change and socially inclusive.
Central challenge	In Brazil, urban development is poorly integrated, poorly inclusive, and lacks a focus on climate justice, especially in marginalized urban areas.
Overall objective of the module (project)	Implementation of integrated, inclusive urban development with a focus on climate justice has been strengthened in marginalized urban areas in Brazil.
Contribution to the national implementation of the 2030 Agenda	Currently, there is no national strategy in force for the implementation of the 2030 Agenda. Contributions to promoting the transition to sustainable cities (SDG 11), poverty reduction (SDG 1), gender equality (SDG 5), reduction of socio-territorial inequalities (SDG 10), climate action (SDG 13) and strengthening the role of civil society in decision-making processes (SDG 16).
Target group	Specialists and managers of the Ministry of Cities, of other relevant ministries, of administrative departments of selected partner cities, financial institutions and urban networks, as well as representatives of social movements or civil society organizations and private sector institutions. Reached through these intermediaries: Populations of urban peripheries and cities in the Amazon region, with a special focus on women and Afro-Brazilians.
Political partner	Ministry of Cities (MCID)
Methodological approach (including instruments)	Multi-level, multi-*stakeholder* and "*bottom-up"* approach, with a focus on a) Implementation:

	Development of individual and organizational competencies of selected pilot cities for the implementation of demonstration projects for integrated, inclusive urban development with a focus on climate justice in marginalized urban areas, focusing on local economic development in the Amazon region (exploratory) and implementation of national policies in urban peripheries (programmatic). b) Scaling up ("*Upscaling*"): Specialized advisory support to MCID and selected financial institutions. Development of individual and organizational competencies of municipal networks for knowledge transfer. Instruments: 2 international long-term experts (LZFK, German acronym) (partially dedicated/working for several projects), 6 national long-term experts (LZFK), short-term experts (KZE, German acronym) and material goods of up to EUR 36,034.
Main objectives (Outputs)	(1) Strengthen the capacity of selected cities to implement integrated, inclusive urban development with a focus on climate justice in the Amazon region. (2) Strengthen the capacity of selected cities to implement integrated, inclusive urban development with a focus on climate justice and gender equity in urban peripheries. (3) Horizontal and vertical scaling-up ("*Upscaling*").
Order value	Up to EUR 4,000,000
Duration	From 09/2025 to 08/2028 (3 years)

2. Classification of the module (project)

2.1 Classification of the module within the international development cooperation program

The international development cooperation program "Just Energy and Urban Transition in Brazil" aims at the CO2-neutral, climate-resilient and socially inclusive design of energy supply and urban development in Brazil. The program covers the fields of action "Renewable Energies and Energy Efficiency" and "Sustainable Urban Development" within the central topic "Climate and Energy – Just Transition". The overall objective of the field of action "Sustainable Urban Development" is to contribute to the development of GHG-emission-neutral and socially just cities.

This successor module (project), DUS III, aims to promote integrated, inclusive urban development with a focus on climate justice in marginalized urban areas, especially in selected cities in the Amazon region and in the urban peripheries of Brazil. This will improve access to infrastructure and urban services in marginalized urban areas (Program Objective Indicator 4) and increase participation in

urban development decision-making processes (Program Objective Indicator 6). In the Amazon region, the module focuses especially on urban measures that promote local economic development and supports selected financial institutions in adapting criteria for financial products for the implementation of urban development projects. By linking urban and economic development objectives, taking into account ecological and social aspects, the module contributes to the decarbonization and climate adaptation of the Brazilian economy (Program Objective Indicator 3).

GIZ note (January 2026): These Program Objective Indicators are a BMZ modality (grouping all projects in the energy and cities field in Brazil to create a "program" and measure broader impact). They are therefore part of every individual project offer, which needs to fit into the program, but they will not be our day-to-day guide for the work. By working on the Project Indicators, we will automatically contribute to the program and its indicators.

The module will work in close collaboration with the Technical Cooperation (TC) module "Just Transition in Urban Mobility in Brazil" (PN 2024.2153.5), which is currently being prepared, as well as with the TC module "Sector Coupling and Green Economy" (PN 2021.2028.5). Both modules also cooperate with the Ministry of Cities and with selected partner cities, aiming to improve public transport, which is of particular importance for connecting marginalized urban areas. The DUS III project will analyze synergies with both modules in terms of the selection of partner cities, in order to maximize geographic overlaps and explore synergy and cost-saving potentials.

The "Just Transition in Urban Mobility in Brazil" module focuses on the empowerment of women and Black people, especially from urban peripheries, and therefore activities to raise awareness of these issues can be jointly implemented, with costs shared between the projects, generating savings and efficiency in resource management. The "Sector Coupling and Green Economy" module works together with at least one city in the Amazon region, which may be included in the networking activities of the DUS III module, generating savings in resource allocation. The newly planned TC module on Brazil's energy transition ("*Energy Transition*") (PN 2023.2147.9) also offers synergy potential, since some of the energy transition activities are to be implemented in the Amazon region. In this case, there is potential for cost savings in the external communication of German technical cooperation in the Amazon region.

There is close cooperation with the programs of the German Development Bank KfW for climate-resilient cities, and the potential for possible KfW financing will also be explored at the outset of the selection of DUS III module partner cities and their respective demonstration projects.

Objective of the international development cooperation program			
Energy supply and urban development in Brazil are made CO2-neutral, resilient to climate change and socially inclusive.			
Indicators	Baseline (*Baseline*)	Current value (at the time of the offer)	Target value

Indicator 3 of the international cooperation program 25 additional measures (e.g. investments, resolutions, laws, decrees, strategic documents, etc.) to decarbonize and adapt the Brazilian economy to climate change (in sectors such as mobility, energy, water and sanitation) have been implemented and are generating impact.	0 measures	7 measures	25 additional measures
Indicator 4 of the international cooperation program 2,100,000 people, of whom 50% are women and 25% belong to marginalized groups, have access to newly created or improved sustainable basic services, infrastructure or urban services.	0 people	715,000 people	2,100,000 people
Indicator 6 of the international cooperation program 4,500 people, 50% of whom are women and 25% belonging to socioeconomically vulnerable groups, have participated in deliberation or political decision-making processes on urban development – at the municipal, state or national level.	0 people	1,100 people, 50% of whom are women and 25% belonging to marginalized groups	4,500 people, 50% of whom are women and 25% belonging to marginalized groups

2.2 Other measures/actions in the module's (project's) area of intervention

The Inter-American Development Bank (IDB) currently finances more than a dozen projects for sustainable urban development and housing supply in Brazil. The aim is to provide low-income families with better housing, access to infrastructure and urban services, and to strengthen urban resilience against natural disasters. The IDB's main partner within Brazil's Ministry of Cities (MCID) is the Housing Department (SNH). Together, the IDB and the TC module promote sustainable urban development, in particular through the exchange of approaches for adapting financial products and credit line criteria, jointly contributing to the reduction of socio-spatial inequalities in Brazil (impact level).

The IDB's *"Amazonia Forever" program* also offers synergy potential. It supports measures to address social and environmental challenges in the Amazon basin. In 2023, the Amazonian Cities Forum was founded to promote joint action for sustainable and resilient cities in the Amazon and to contribute to the articulation of cities as central local actors. Synergies and cost-saving potentials through joint events, communication strategies and local activities in strengthening the representation of cities' interests for integrated urban development and improving access to financing (outcome level).

The Cities Program of the *World Resources Institute* (WRI) is a partner of the network of 48 cities that receive financing through the national "Periferia Viva" *(*PV) program to implement urban revitalization projects in marginalized areas. Building on the support provided to this network by the predecessor module (project) (DUS II, PN 2019.2354.9), the cooperation will be expanded and focused on monitoring

the impact of public policies and financing programs for urban peripheries. The module and WRI work together, and WRI also invests resources to achieve better impacts in the use of institutionalized feedback mechanisms aimed at the evidence-based design and adaptation of public policy programs (level of *Outcome*/overall objective).

Brazil has signed the *Coalition for High Ambition Multilevel Partnerships for Climate Action*(CHAMP), launched by *Bloomberg Philanthropies*, at COP28, which aims to strengthen cooperation between the local and national levels to promote access to climate financing for municipalities. The TC module advises financial institutions on developing financial products for urban development projects with a focus on climate justice. Both measures create a joint impact by making financing for climate-related projects more accessible to cities (level of *Outcome*/overall objective).

The global project "*C40 Cities Finance Facility*" (CFF) (PN 21.2214.1), financed by BMZ, will select up to two Brazilian cities[1] in a new phase to develop investment projects with a focus on climate action until they are ready to receive financing. The experiences serve as a reference for the development of financing models, and CFF partner cities will be involved in the module's *networking* activities, depending on the thematic focus and region, for financial savings (level of *Outcome*).

Starting in 2026, the United Nations Environment Programme (UNEP) will implement, together with C40, the BMUKN-IKI financed project "Climate adaptation of urban peripheries" (*WaterWise Cities: Strengthening Adaptation Strategies to climate-related Water Challenges for Brazilian Urban Communities and Local Governments*). The DUS III module will align closely with this project, which specializes in metropolitan regions, in order to structure support for the Periferia Viva program effectively and economically with regard to the selection of partner cities and thematic focus, avoiding parallel structures and activities (level of *Outcome*).

Funder	Project	Expected synergies at the two different impact levels (*Output* and *Outcome*)
IDB	Credit lines for investment projects	Promotion of sustainable urban development, contributions to the reduction of socio-spatial inequalities (impact level)
IDB	*Amazonia Forever*	Strengthening the representation of the interests of cities in the Amazon region for integrated urban development and for financing (level of *Outcome*)
WRI	Cities Program	Use of institutionalized *feedback* mechanisms to design and adapt evidence-based public policies (level of *Outcome*)

[1] GIZ note (added in 2026): São Paulo and Belo Horizonte were selected.

Funder	Project	Expected synergies at the two different impact levels (*Output* and *Outcome*)
Bloomberg Philanthropies	CHAMP Initiative	Leveraging learning experiences, helping to improve access to financing for urban development projects with a focus on just climate policy (level of *Outcome*)
Germany BMZ / United Kingdom FCDO / AFD / USAID (2026 update: today the funders are only BMZ and FCDO)	*C40 Cities Finance Facility*	Involvement of partner cities in networking and reference/input for the development of financing models (level of *Outcome*)
BMUKN-IKI (implemented by UNEP / C40)	Climate adaptation of Urban Peripheries / *WaterWise Cities*	Complementarity for the implementation of integrated urban development in metropolitan regions (level of *Outcome*)

3. Analysis of problems and potential (related to the project/module)
Initial situation in the intervention area: With an urban population of 87.8%, Brazil is one of the most urbanized countries in Latin America (Statista, 2023) and is characterized by socio-spatial inequality (72% of the population living in poverty lives in cities) and regional disparities (OECD, 2016). This is evident in the so-called “urban peripheries”, e.g. favelas, informal settlements, urban communities, where 41% of the urban population living in poverty lives in precarious conditions and is affected by multidimensional deprivation, such as a housing deficit (5.9 million housing units); use of unsafe water sources (17% of the population); sewage treatment (55%); a high deficit of green spaces. Cities in the Amazon region, the weakest region of Brazil in terms of infrastructure, are marked by poverty and a lack of basic services, e.g. access to sanitation (17% of households vs. 52% nationwide); access to a system of regular waste disposal (62% of households vs. 81% nationwide) and have the highest proportion of population living in favelas (State of Amazonas, 37.4% vs. 6% nationwide).

In addition, the mono-structural economic situation of the Amazon region hinders sustainable development/growth. The population in marginalized urban areas is composed mainly of Afro-Brazilians and indigenous people, as well as women, since these groups have historically been disadvantaged and often lack access to adequate housing. This is a result of social inequalities and limited access to education and the labor market, among other things, and occurs in a context of disproportionate poverty, scarcity and systemic discrimination (cooperation quality criterion: poverty and inequality reduction, as well as human rights, gender equality and inclusion).

Brazilian cities are severely affected by the consequences of climate change, which occur especially in marginalized urban areas (quality criterion (QC): Environmental and Climate Assessment). According to estimates by the Ministry of the Environment and Climate Change (MMA), more than 90% of Brazilian cities and municipalities are affected by climate-related disasters. As an illustration of this scenario, Brazil experienced in 2024 its most severe drought in decades, which especially affected the Amazon region (WWF, 2024).

Although Brazil currently has no national strategy in force for implementing the 2030 Agenda, the second National Voluntary Review (VNR) highlights the fight against poverty and inequality and the promotion of climate justice as priorities. In December 2024, Brazil submitted its fourth update of its Nationally Determined Contribution (*NDC*) to reduce emissions by 59% to 67% by 2030 compared to 2005 levels and achieve net-zero greenhouse gas emissions by 2050. Urban development policy is also a priority, based on the 2001 City Statute, which establishes the right to the city.

The New Growth Acceleration Program (Novo PAC) , with a total budget of R$1.7 trillion (approx. EUR 273.7 billion), supported infrastructure investments of around R$49 billion (approx. EUR 7.89 billion) in 2024 for projects in areas such as water, sanitation, mobility and favela urbanization, among others. In addition, MCID implements the national program “Periferia Viva” (PV), which promotes land tenure regularization, urban renewal, civil protection (disaster prevention) and the strengthening of social participation in peripheral urban territories (a total of 58 projects in 2024). Anti-corruption mechanisms were introduced under the Novo PAC, but challenges remain in meeting transparency standards (*Transparency International* Brazil, 2024; quality criterion Anti-Corruption and Integrity). For the Amazon region, there is currently no formalized national strategy that promotes sustainable urban development and provides a coherent response to the *trade-offs* (conflicting objectives/interests) between economic growth, social inclusion and environmental protection.

Derivation of the module/project objective: The urban challenges of socio-spatial inequality and climate injustice are politically prioritized. Important structural conditions and financing initiatives have been created. However, practical solutions and local approaches for the requalification of marginalized urban areas are lacking. This hinders the effective implementation of urban development projects and the evidence-based improvement of framework conditions. Overall, urban development in Brazil is poorly integrated, poorly inclusive and lacking a focus on climate justice, especially in marginalized urban areas (central challenge). The TC module directly addresses the necessary improvements in cities' capacities to implement integrated, inclusive urban development projects with a focus on climate justice. The module's objective is to strengthen the implementation of integrated, inclusive urban development with a focus on climate justice in marginalized urban areas in Brazil.

Causes and assessment of changeability: Cities in Brazil, especially in the Amazon region, often lack sufficient technical and institutional capacities to plan and implement integrated, inclusive urban development with a focus on climate justice. With the exception of the Periferia Viva program, financing programs are generally sector-specific. Numerous initiatives promote civil society participation in the formulation of urban policies, but mechanisms to anchor this social engagement in the long term are lacking. Previous interventions in

urban peripheries have not been evaluated for their effects. For cities in the Amazon region, in particular, access to financing mechanisms represents a significant obstacle to the implementation of integrated urban development projects. At the same time, there is often a lack of high-quality project proposals. MCID is overburdened in terms of staff and time to support the 5,569 municipalities in implementing their policies and programs. States do not have sufficient competencies/mandates or capacity for this, and there is a lack of effective formats for horizontal learning. Experience from previous modules shows that these causes can be changed in the long term.

Results/impacts achieved to date: The results of the predecessor module “Sustainable Urban Development II” (DUS II), PN 2019.2354.9, financed by BMZ, and of the project “Support to the National Agenda for Sustainable Urban Development in Brazil” (ANDUS), PN: 2015.9073.6, financed by the International Climate Initiative (IKI), form the strategic basis for future cooperation in this area. The “*Framework* for Integrated Urban Development”, which provides for (1) the spatial integration of different sectors, (2) the vertical integration of different administrative levels, (3) the horizontal integration of governmental, civil society and private sector actors, strengthened the conceptual understanding of urban actors. It also supported the review and development of national instruments and financing programs (e.g.: Cidades Melhores, National Urban Development Policy). In six cities (Canaã dos Carajás, Fortaleza, Nova Friburgo, Palmas, Santo André and Uberaba), demonstration projects, financing plans and urban development instruments were developed and implementation capacities were strengthened, testing the integrated urban development approach and contributing to local climate resilience and social inclusion. These experiences were also incorporated into the design of the national Periferia Viva program and can be transferred to marginalized urban areas as part of the DUS III module. In addition, various networks were established or expanded to promote mutual learning and the participatory design of public initiatives and governance structures – for example, the “Network for Sustainable Urban Development” (ReDUS) platform, the Brazilian Network of Planning Institutes (InREDE), the Coalition for Sustainable Urban Development in the Amazon (DUSA), the Social Movements Network of the Peripheries Caravan (CP), and the network of municipalities supported by Periferia Viva (Rede Periferia Viva, Rede PV).

The module preceding DUS II, the “Sustainable Urban Development I” (DUS I) project, PN 2015.2128.5, had a different content focus.

4. Objectives, impact hypotheses, indicators and partners of the module

4.1 Objectives, target group, impact hypotheses and indicators

Overall objective of the module: Implementation of integrated, inclusive urban development with a focus on climate justice has been strengthened in marginalized urban areas in Brazil.
Indicators (of the overall objective):
Number of demonstration projects with sub-measures implemented for integrated, inclusive urban development with a focus on climate justice in marginalized urban areas.
Baseline: 6 demonstration projects, 2 of which focus on gender and racial equality (2025)

Target value: 9 demonstration projects, 4 of which focus on gender and racial equality (2028)
Note: The baseline refers to the initial situation, before the start of the module/project. This results in the following target value to be achieved by the DUS III project: 3 demonstration projects (2 of which focus on gender and racial equality) with sub-measures implemented.

Number of national policy programs for integrated, inclusive urban development with a focus on climate justice in urban peripheries that have been adapted based on local monitoring results.
Baseline: 1 national policy program (2025)
Target value: 3 national policy programs (2028)
Note: The baseline refers to the initial situation, before the start of the module/project. This results in the following target value to be achieved by the DUS III project: 2 national policy programs.

Number of financing mechanisms for integrated, inclusive urban development with a focus on climate justice that have incorporated adapted criteria to improve access for cities in the Amazon region.
Baseline: 0 financing mechanisms (the criteria of financing mechanisms used in previous modules do not take into account the specificities of cities in the Amazon region) (2025)
Target value: 1 financing mechanism (2028)
Note: The baseline refers to the initial situation, before the start of the module/project. This results in the following target value to be achieved by the DUS III project: 1 financing mechanism.

Note that in this document only the top-level indicators (Outcome/overall objective) appear. The 6 indicators of the specific objectives – 2 for each of the 3 specific objectives (Outputs/components) – are specified in the impact matrix, in a separate document, submitted as an annex to this offer.

The baseline and target values (*Basis- und Zielwerte*) of the indicators of the overall objective (*Outcome*) 1, 2 and 3 will be verified in the first year of implementation and adjusted, if necessary, as part of the first progress report. There are no national indicators available for use. The module's references to the SDGs are explained in Chapter 6.1.

For further details, see the impact matrix, attached.

The target groups are specialists and managers working in the field of urban development. At the national level, this includes MCID staff at the National Secretariat for Urban and Metropolitan Development (SNDUM), the National Secretariat for Urban Peripheries (SNP) and the Executive Secretariat (SE). In addition, the project is aimed at staff of other institutions relevant to urban development, such as the MMA,

Caixa Econômica Federal (CAIXA), the National Bank for Economic and Social Development (BNDES) and the National Front of Mayors (FNP). At the local level, the project is aimed at staff of selected municipal governments and administrations, including career civil servants and representatives of political interests. Other target groups at the city/municipal level are civil society representatives, especially local initiatives in urban peripheries, as well as the private sector.

Through these various intermediary organizations, the urban population in marginalized areas will be reached, especially in urban peripheries and cities in the Amazon region. People in selected urban areas (two urban peripheries and two urban areas in the Amazon region) will benefit directly. Other parts of the population in comparable urban areas across the country will benefit indirectly, through scaling-up mechanisms ("*Upscaling*"). In Brazil, around 16.4 million people live in 12,348 favelas and urban communities (IBGE 2022), which suffer from complex shortfalls in infrastructure and basic urban services, as well as above-average poverty rates (see Chapter 3). Women manage around 60% of households in favelas and are particularly affected by these service deficits. The growing urban population in Brazil's Amazon region is estimated to comprise more than 12 million people, who face significant socioeconomic challenges and a lack of basic services (see Chapter 3). Women in the Amazon region are particularly disadvantaged, as they are more likely to be affected by poverty and have less access to education and the healthcare system.

Impact hypotheses:
Output 1 (specific objective 1): The objective is to strengthen the institutional capacities of selected cities in the Amazon region to implement integrated, inclusive urban development with a focus on climate justice. This is based on the following impact hypothesis: The implementation capacities of participating municipal administrations will be improved by strengthening the institutional capacities of selected cities with a view to developing demonstration projects focused on local economic development and applying practical approaches in the field of integrated urban development (module objective).

This will be possible if municipal administrations, federal organizations and private sector actors recognize the added value of integrated urban development approaches in cities in the Amazon region and show willingness to develop demonstration projects. This approach builds on the successes of the previous DUS II and ANDUS modules/projects.

Output 2 (specific objective 2): The objective is to strengthen the institutional capacities of selected cities to implement integrated, inclusive, gender-sensitive urban development with a focus on climate justice in urban peripheries. This is based on the following impact hypotheses: The institutional capacities of municipal administrations will be strengthened through the development and application of these approaches, which particularly promote civil society participation and combat women's poverty. Management capacities at the national level will be improved through the systematic assessment of local implementation experiences and their use for an evidence-based adaptation – of policy programs and their implementation instruments (module objective).

For Outputs (specific objectives) 1 and 2, it is assumed that selected municipal administrations will make sufficient staff and investment resources available, as well as demonstrate willingness to implement the demonstration projects. It is further assumed that relevant national-level policies, financing and investment programs, such as Novo PAC and Periferia Viva, will continue to be implemented and will remain in force as an implementation framework for the module. For specific objective 2 (Output 2), it is also assumed that there is willingness to cooperate within and among municipal administrations, as well as among civil society actors. This approach is based on the conclusions of previous modules and on the experience gained through local technical advisory support in the Periferia Viva program.

Output 3 (specific objective 3): The objective is to establish mechanisms for the vertical and horizontal scaling-up ("*Upscaling*") of good practices for integrated, inclusive urban development with a focus on climate justice in marginalized urban areas. This is based on the following impact hypotheses: The experience gained from implementing local practical approaches (interventions) is used by national institutions to make policy programs more effective and needs-adapted. This strengthens management capacities at the national level (module objective). At the local level, good practices and applied knowledge are disseminated through municipal associations and networks so that other cities can adopt these approaches. This improves the capacities for implementation at the local level (module objective). This requires that existing networks be maintained and remain open to knowledge transfer and exchange formats. Another assumption is that cities take advantage of these offerings and implement the practical knowledge in their context. This approach is based on the experience of the previous DUS II and ANDUS modules, which were successfully implemented in cooperation with municipal associations and networks.

The strategic guidelines of BMZ were taken into account.

4.2 Political partners and partner structure

The The project's political partner is Brazil's Ministry of Cities (MCID).
The responsible political body, the Ministry of Cities (MCID), receives, with the order, the right to directly require from GIZ the services owed to it. GIZ and the political partner will define the details in an Implementation Agreement (TdE). BMZ may exercise its rights arising from the order, in particular those arising from the General Treaty, without the consent of the political partner.

MCID is also the implementing partner of the module (project). Its mandate is to promote urban development and improve living conditions in cities. It is responsible for the planning and implementation of policies and programs in various urban sectors. MCID is organized into five specialized departments. The module will work mainly with the National Secretariat for Urban and Metropolitan Development (SNDUM), the National Secretariat for Urban Peripheries (SNP) and the Executive Secretariat (SE).

SNDUM promotes integrated and sustainable urban planning through the coordination of public policies, plans and programs. SNDUM manages programs such as “Cidades Melhores”, which support urban renewal projects and the modernization of municipal administration, with financing of around R$2 billion per year. A new area of responsibility for SNDUM is the strengthening of cities in the Amazon region. SNP promotes social and urban development in urban peripheries and aims to reduce socioeconomic inequalities. Its core responsibilities include the provision of basic infrastructure in informal settlements, housing improvement, land tenure regularization, and risk mitigation and prevention measures. SNP formulated the national Periferia Viva program and is responsible for its implementation and monitoring.

MCID's technical staff have good technical and strategic training and experience in formulating and implementing urban development policies. The implementation of national programs and policies is monitored both by CAIXA and by the Federal Court of Accounts, which verify the legitimate use of public resources. However, competencies need to be improved for monitoring the content and results of national financing programs and for making use of local experiences and evidence in the formulation of national policies.

Secondary partner institutions include the MMA's National Secretariat for Urban Environment, Water Resources and Environmental Quality, mandated to promote sustainable urban development and improve environmental quality in cities. Together with MCID, MMA coordinates the “Green and Resilient Cities” program (PCVR). MMA has a technically competent staff and needs further development in the design and implementation of the program, adapted to the conditions of marginalized urban areas in the different regions of Brazil.

At the local level, the module will work with selected Brazilian cities (2 cities in the Amazon region and 2 cities with a high number of urban peripheries; possibly also in combination). If necessary for the implementation of concrete projects, the module will work with representatives of state public entities/bodies (e.g. in mobilizing financing). The module's partner cities have not yet been selected, so it is not yet possible to provide information on their interests and needs for capacity development.

Other partners are the development banks, responsible for allocating subsidies and financing to cities. CAIXA manages financing programs of national ministries (e.g. MCID's PV program) and offers various financing options to support urban development in Brazil. In 2023, CAIXA allocated a record R$15.2 billion to infrastructure projects in cities and states. BNDES offers financing options for integrated urban development, especially for cities with more than 100,000 inhabitants, is responsible for the Brazilian Climate Fund, and promotes urban development projects with international partners such as the *Green Climate Fund* and the German development bank KfW.

Depending on the selection of cities, the module will also work with regional development banks (especially in the Amazon region). In general, the banks have well-trained staff, experienced in financing urban development projects, with learning needs regarding the adaptation of financial products to the conditions of the Amazon region and urban peripheries.

For knowledge transfer, the module works with associations and networks. FNP is an organization of Brazilian mayors of medium and large cities, whose municipalities represent around 61% of the population and 74% of GDP. It promotes technical and political dialogue, carries out *lobbying/advocacy* activities, and carries out broad knowledge management. In the Amazon region, the module cooperates with state city networks, which will be selected, and may include: ReDUS, InRede and Periferia Viva. ReDUS is a Brazilian digital platform that connects more than 8,000 members (today, in 2026, already more than 20,000) from 902 organizations in 901 cities, sharing knowledge, tools and good practices and offering digital resources, training and the exchange of innovative approaches. InRede is a national network of urban planning institutes for technical exchange, founded in 2022. Rede Periferia Viva is a network within MCID's Periferia Viva program, bringing together the 48 cities that have received national financing from MCID. All networks need a targeted and in-depth exchange of good practices on integrated, inclusive urban development with a focus on climate justice, focused on marginalized urban areas (the Amazon region and urban peripheries).

5. Structuring/design of the project (module)

5.1 Methodological approach and duration

Validity: from 09/2025 to 08/2028 (3 years)

Strategy: The capacity development (CD) strategy of the module is based on the results of previous TC modules on sustainable urban development. It adopts a multi-level approach in which local, regional and national actors are mutually strengthened.
Practical approaches successfully tested in partner cities are integrated into national policy and management instruments and disseminated to other cities through structured processes. The module operates at the individual (people), organizational and societal levels. At the individual level, the skills of decision-makers and specialists working in national institutions, in the local administrations of partner cities and their associations, as well as in civil society and the private sector, will be strengthened.

At the organizational level, the institutional capacities of national and local administrations will be strengthened, and the work of national and regional city networks will be further developed technically. At the national level, the ministry's governance capacities will be strengthened, while at the local level, the capacities of local actors to implement integrated, inclusive urban development with a focus on climate justice will be strengthened.

At the At the societal level, the project promotes cooperation between municipal administrations, civil society and the private sector. The project helps ensure that national policies incorporate local experiences and achieve greater impact, and that cities across the country share these good practices with one another. The module adopts an approach focused on reducing inequality and promoting social

inclusion and gender equality for the marginalized population in urban peripheries and cities in the Amazon region. It implements the 2030 Agenda's “leave no one behind” principle, focusing on both women and Black people.

The module promotes fair processes of public participation and participatory decision-making, and ensures that the specific needs of each group are taken into account in the development of their urban areas. This includes equal opportunities for participation in project activities, the integration of women in demonstration projects, and gender mainstreaming in practical approaches. The advisory support takes into account social polarization as well as existing structures of domestic and urban violence, and is based on the “do no harm” principle (*do no harm*).

All local demonstration projects include climate justice goals, for example through the improvement of urban green spaces. In addition, the module promotes digital approaches, such as in the monitoring of implementation activities, virtual participation or digital knowledge exchange. Based on the results of the “integrated context and human rights analysis”, partners are selected based on their focus on human rights and constitutional norms. When selecting partner cities, overall conflict potential is taken into account as a criterion. In addition, the project does not carry out any activities in officially demarcated indigenous areas.

Use of instruments: The module uses 2 international long-term experts (international LZFK, German acronym), 8 national long-term experts (national LZFK, German acronym), short-term experts (“KZE”, German acronym) and EUR 36,034 of material goods.

One international long-term expert (LZFK) (partially dedicated) takes on overall project management and coordinates cooperation with political partners. The other international long-term expert (LZFK) (partially dedicated) is responsible for monitoring and evaluation, an activity also related to communication. One national long-term expert (LZFK) coordinates the implementation of Output 1 on the topic of Amazon cities. Another national long-term expert (LZFK) coordinates Output 2 on the topic of urban peripheries. Output 3 is organized transversally, since the various networks are thematically assigned to the Amazon region or urban peripheries. Four national long-term experts (LZFK) will be assigned to various different Outputs and will oversee specific activities, such as the development of demonstration projects (Outputs 1 and 2) and organizational and policy advisory support for municipal networks (Output 3); one national long-term expert (LZFK) will be responsible for the topic of financing mechanisms, and one national long-term expert (LZFK) will coordinate the project's communication strategy. Short-term experts (KZE) are used for technical, strategic and management advisory support, especially in the area of financing mechanisms and project development. The structure of the local team, which has worked reliably, effectively and efficiently with partners for years and is highly valued by them, ensures sufficient depth of advisory support and cooperation and takes into account the cost-effectiveness of the use of instruments. No financing agreements (*Grants*) are planned.

Output 1 (specific objective 1) aims to strengthen the institutional capacities of selected cities to implement integrated, inclusive urban development with a focus on climate justice in the Amazon region. Special attention is given to promoting local economic development, demonstrating the relevance of urban development measures for this purpose.

The module supports MCID's SNDUM with specialized advisory support in developing criteria and guidelines, on the basis of which partner cities and their project proposals will be selected. Partner cities receive support to develop, from the project proposals, concrete demonstration projects for integrated, inclusive urban and economic development with a focus on climate justice.

The demonstration projects are developed together with private sector and civil society actors (possible selection criteria: relevance to economic development, reduction of social inequality, improvement of climate justice). Integrated solutions will be developed that take into account various urban sectors, for example: requalification of markets and urban commercial centers, integrated revitalization of local port areas with waterfront renewal, and improvement of the urban and social quality of production sites in urban areas.

Building on this, the module advises cities on the implementation of prioritized sub-measures (partial measures of the demonstration project), as well as on the development of financing proposals and their submission to financial institutions for future implementation. The demonstration projects serve as a basis for model practical approaches for further scaling-up (see Output 3).

In addition, the module strengthens state city associations in expanding their technical advisory support to cities, aimed at developing bankable projects. The module also advises state and national financing institutions on adapting financing lines to the context of Amazon cities in order to improve their access. Combining the implementation of projects that integrate various sectors with the mobilization of external financing and the involvement of non-state actors increases cost-effectiveness.

Output 2 (specific objective 2) aims to strengthen the institutional capacities of selected cities to implement integrated, inclusive, gender-sensitive urban development with a focus on climate justice in urban peripheries. The module supports MCID's SNP in promoting the implementation of the Periferia Viva program, using concrete practical examples.

Selected cities receive support to develop, in cooperation with local civil society, overall strategies for the qualification of urban peripheries and integrated demonstration projects for selected areas. For this, various sectors are integrated and concrete criteria are applied for gender equality and for marginalized population groups, as well as for climate justice. The module advises cities on developing a financing plan that goes beyond Periferia Viva funds, on identifying complementary sources of financing, and on the step-by-step implementation of sub-measures/partial measures, such as the redesign of public spaces and the creation of a citizen participation office/point.

Together with SNP and SE, the module develops a project monitoring system focused on results/impacts (basis for Output 3). In addition, the module supports the continuous institutionalization of structures and mechanisms for civil society participation, with a focus on empowering and strengthening women's leadership. Cost-effectiveness is increased by connecting projects that integrate different sectors with the effective (impact-oriented) use of financing and the strengthening of civil society participation in partner cities.

The two types of marginalized urban areas are addressed in two separate Outputs, since they require methodologically different interventions (Amazon region: exploratory, without a concrete connected national program; urban peripheries: programmatic support for the implementation of Periferia Viva). In addition, the political partner's responsibility for these topics is clearly divided between two Secretariats, which facilitates cooperation through the transparent allocation of resources by Output.

Output 3 (specific objective 3) builds mechanisms for the vertical and horizontal scaling-up ("*Upscaling*") of good practices for integrated, inclusive urban development with a focus on climate justice in marginalized urban areas.

SNP will receive support to incorporate, in an evidence- and demand-oriented manner, feedback, monitoring data and local implementation results into future Periferia Viva program calls, to disseminate tested practical approaches nationally and improve coordination with MCID's other Secretariats. SNDUM will receive support to incorporate practical approaches for integrated urban development and local economic development in Amazon cities into strategies and programs, as well as to disseminate them to cities for implementation. SE will be advised on how to monitor the implementation and climate-related impacts of national programs for cities in the Amazon region and for urban peripheries (including digital solutions).

In general, cooperation between MCID and MMA will be strengthened in the development and implementation of the Green and Resilient Cities Program.

For horizontal dissemination (scaling-up/*upscaling*) of practical approaches, the module supports existing associations and networks such as FNP, the Coalition for Sustainable Urban Development in the Amazon Region (DUSA), ReDUS, InREDE and Rede Periferia Viva in expanding activities (including digital/virtual formats) and structures (e.g. establishing thematic working groups). The goal is to make knowledge and experience on marginalized urban areas available to other cities. Selected networks are strengthened in monitoring and analyzing the impacts of national policies and financing programs at the local level, as well as in developing policy recommendations. The use of established structures for vertical and horizontal *upscaling*scaling-up allows for cost-effective and efficient dissemination of local approaches.

Outputs (specific objectives)	Main activities	Timelines and milestones	Instruments used (number / order of magnitude)
Output 1	Analysis of policies and instruments for integrated urban and economic development in the Amazon region, and development of an implementation concept. Participatory development of demonstration projects with implementation of specific measures and preparation of financing requests. Advisory support for the development of criteria for financial products aimed at improving access for Amazon cities. Expansion of specialized technical advisory services offered by a city association or network to cities in the Amazon region.	12/2026: 2 demonstration projects designed for Amazon cities 03/2027: The specialized advisory offering of a city association or network has been expanded 06/2027: 1 concept for adapted financial products/offerings created	International LZFK (12 months “FKM”) National LZFK (95 months “FKM”) KZE (50 months “FKM”) Material goods EUR 12,600
Output 2	Participatory development of demonstration projects in urban peripheries, with implementation of specific measures and preparation of financing requests. Institutionalization of cooperation mechanisms between public institutions and civil society. Strengthening of local impact monitoring of policies and financing programs for urban peripheries.	12/2026: 2 demonstration projects designed for urban peripheries 12/2027: 1 cooperation mechanism established 08/2027: 1 local monitoring concept for PV created	International LZFK (12 months “FKM”) National LZFK (95 months “FKM”) KZE (30 months “FKM”) Material goods EUR 12,600
Output 3	Strengthening of the monitoring system for the implementation of policies and financing programs focused on urban peripheries. Adaptation of policies, financing programs, implementation strategies and instruments for evidence-based development of marginalized urban areas.	12/2026: 2 working groups on marginalized urban areas established 12/2027: 1 concept for overall/umbrella monitoring created 03/2028: 2 policy recommendations created	International LZFK (12 months FKM) National LZFK (74 months FKM) KZE (13 months FKM) Material goods EUR 10,800

Outputs (specific objectives)	Main activities	Timelines and milestones	Instruments used (number / order of magnitude)
	Development of exchange formats and dissemination of good practices for the development of marginalized urban areas. Impact analysis and monitoring of national policies and financing programs at the local level, and development of policy recommendations.		

5.2 Ensuring the effectiveness and sustainability of the measures (*Outcomes*/overall results)

The multi-level approach strengthens ties between the national and local levels by mutually supporting both. By involving non-state civil society and private sector actors, a more diverse partner structure is being established. Practical approaches tested locally are introduced into policy dialogue at the national level, and governance and financing instruments are revised according to the lessons learned. In addition, local practical approaches are disseminated throughout the country through training, knowledge transfer and peer learning (in the context of the Amazon region) and are thus transferred to other cities (*upscaling*).

Cooperation with municipal associations and established exchange platforms helps achieve impacts beyond the partner cities. The module is guided by the strategic and legal requirements of the Brazilian government, strengthening existing policies, strategies, mandates and financing programs. This promotes sustainability and brings about systemic change. The demand of partners at the national and local levels, as well as the diverse needs and capacities in a country like Brazil, shape the nature and content of the advisory support. No new organization or structure will be created. Instead, the module focuses on long-term anchoring within the partner system, strengthening the capacities and functions of national and local institutions.

5.3 Partner contributions, combined co-financing

	Concretization	Estimated value
Combined co-financing (additional donors)	- not applicable --	-
Partner contributions	MCID: Specialized staff for coordination, alignment and implementation of the technical cooperation module's activities (70 months “FKM”) Travel expenses/costs of the partner team	EUR 640,000

	Concretization	Estimated value
	Office space for up to 7 project staff Design and communication services for publications Selected cities: Professionals from municipal administrations and civil society organizations (85 months “FKM”) Costs of preparing and implementing the demonstration projects of partner cities	

6. Assessment of the module's impacts and risks

6.1 Impact assessment

Overall impacts: The module supports Brazil in implementing the 2030 Agenda at the national level. At present, there is no national strategy for its implementation, but the current national development plan[2] (2024-2027) is aligned with the SDGs. SDG 11, which focuses on inclusive, safe, resilient and sustainable cities, is at the center of the project, together with its seven sub-targets. Target 11.3 is particularly relevant, as it aims to promote inclusive and sustainable urbanization and to develop participatory, integrated and sustainable capacities for planning and governance. In addition, the project contributes to SDG 1 (No poverty), 5 (Gender equality), 10 (Reduced inequalities), 13 (Climate action) and 16 (Peace, justice and strong institutions).

Economic impacts: The module improves financing instruments based on local evidence. Complementary measures (e.g. additional future investments in areas such as education, the economy and health) can generate long-term economic impacts. Especially in cities in the Amazon region, the module promotes a joint approach to urban and economic development, which builds on local value chains and aims to strengthen economic development potential, expand employment and income opportunities for the population, and thus reduce poverty (Quality criterion (QC): Poverty Reduction and Inequality Reduction).

[2] A literal translation from German, it refers to the Brazilian federal government's 2024–2027 Multi-Year Plan, the development of which took the 2030 Agenda into account.Link here

The integrative approach creates synergies between sectoral measures, which can achieve greater economic benefits in the medium and long term and reduce corruption (QC: Anti-Corruption and Integrity). The use of digital technologies also facilitates the efficient planning, implementation and dissemination of these integrated approaches (QC: Digitalization). Although integrated approaches may require greater initial investment (greater coordination effort), they lead to long-term macroeconomic savings through reduced public health or public safety spending.

Ecological impacts: The module explicitly promotes the strengthening of climate justice in cities within the framework of integrated urban development. The focus is on combating climate injustice, for example by reducing the effects of heavy rainfall events, protecting urban water bodies, or expanding green spaces that benefit both the population and nature. The aim is to include environment-based approaches, such as Ecosystem-based Adaptation (EbA) and Nature-based Solutions (NbS), in the demonstration projects, in order to further increase their effectiveness (QC: Environmental and Climate Assessment).

Social impacts: The module focuses on overcoming existing socio-spatial inequalities of the population in marginalized urban areas and promoting more inclusive urban development. The guiding principle of “leaving no one behind” is central to the module's design.

One focus is to reduce social inequalities in urban peripheries and cities in the Amazon region, strengthen human rights and gender equality, and reduce potential conflicts with the help of “do no harm” approaches (QC: Conflict Sensitivity). Improving infrastructure, services and the environment in marginalized urban areas strengthens the population's livelihoods, increases opportunities and reduces risks for the local population. The participation of the population in decision-making processes is of great importance so that they can exercise their democratic rights regardless of gender, age, sexual orientation or race (QC: Human Rights, Gender Equality and Inclusion).

Conclusions for the structuring/design of the module: The module combines social, spatial and climate impacts in its approach, so that these different dimensions can mutually reinforce one another (“integrated”, “inclusive”, “with a focus on climate justice”). The conceptual and methodological approach aims to overcome one-sided sectoral “silo” thinking, since in the city the various aspects of coexistence and livelihoods come together in a single space and must be addressed jointly.

Cross-cutting issues such as climate, environment, human rights, gender equality and digitalization are not taken into account only occasionally, but systematically. This is done through the development and initial implementation steps of the concrete demonstration projects, on the basis of which models for practical approaches are developed. These approaches feed into policy formulation and are disseminated for application in other cities. In this way, the module promotes a paradigm shift toward more integrated urban development that takes climate goals, economic development and the reduction of social inequalities equitably into account.

6.2 Assessment of risks to the module's effectiveness

Political risks: The module is thematically aligned with the partners' current political priorities. Depending on the outcome of the 2026 presidential elections, there is a risk that political priorities such as the development of marginalized urban areas, the promotion of social justice, or adaptation to the consequences of climate change in cities could change.

A political shift could be accompanied by a restriction of civil and human rights in Brazil, as occurred under the government between 2019 and 2022. This would hinder public participation in urban development processes, especially for women, Black people, LGBTQIA+ people and indigenous peoples.

At the local level, local elections were held in 2024 and the new governments remain in office until 2028. This facilitates the analysis of the political situation and priorities during the project's term and a realistic assessment of risks when selecting partner cities. The module can address these risks by developing a strategy for the political transition, with an increased focus on implementation in partner cities and cooperation with civil society, the private sector and networks.

Implementation risks: Preparations for the presidential elections and the election campaign create a risk of limiting the resources of the political partner MCID and other national actors in the second year of implementation (2026) and affecting cooperation. The module aims to develop a strategy for the political transition, with communication products on results and cooperation methods, so that activities can continue with a new government. Otherwise, implementation will be focused on partner cities, and civil society, private sector and municipal association actors will be proactively involved so that implementation does not depend exclusively on the ministry.

Other risks include resource shortages, which could jeopardize the implementation of demonstration projects and the integration of new aspects into financing instruments. The greater demands of cooperation with private sector and civil society actors, as well as cultural and political resistance to inclusion and participation measures, represent additional challenges. These risks require transparent communication, the strengthening of different partnerships, flexible management and continuous monitoring.

Risk to long-term sustainability: The implementation of demonstration projects and their anchoring in local urban development may be hindered by financial or staffing bottlenecks. Limited capacities at the municipal level may hinder the long-term continuity of measures. There is also a risk of political instability or staff changes in relevant institutions, which could alter priorities and prevent the approaches from being carried forward.

A lack of trust and commitment from civil society or the private sector in cooperating with public administration may hinder the implementation and dissemination of these approaches. A lack of technical knowledge and experience in applying new planning and financing instruments may hinder the institutionalization of the approaches. A possible lack of coordination or competition within or between institutions may limit the effectiveness and sustainability of the projects.

Although the module supports the development of bankable projects, it is not yet known whether sufficient financing sources will be found to continue and expand these approaches. The module can partially mitigate these risks through targeted training, awareness-raising and strategic organizational development.

Environmental and social impacts of the measure/project (unintended risks): There is a risk that demonstration projects will not sufficiently take into account future climate impacts, such as heavy rainfall, rising temperatures or changes in the urban microclimate, which could thus aggravate existing risks. Conflicting objectives may arise between environmental/climate protection and local economic development, especially in the Amazon region, where there is little experience in how to integrate these areas. When scaling up pilot projects, there is a risk that regional differences and climate characteristics will not be sufficiently taken into account, which could lead to incorrect adaptations and greater vulnerability to climate risks.

The module can reduce these risks through specialized advisory support, process support, capacity development, coordination of stakeholders ("*stakeholder*") and the application of quality criteria in the planning and implementation of projects, among other things. In terms of social impacts, there is a risk of conflicts arising between the population of selected and non-selected neighborhoods in the demonstration project cities. This risk can be reduced by applying clear selection criteria and communicating that these projects will serve as a reference for future projects in other neighborhoods.

Corruption risks: Corruption and clientelism are common challenges in urban development measures in Brazil, often aggravated by insufficient state control in marginalized urban areas. This creates a risk of undermining positive developments initiated within the scope of the module. This could impair the long-term effects. The risk of the module inadvertently contributing to the spread of corruption is estimated to be low, but the possibilities for directly combating corruption during the project period are limited. However, the module can help promote transparency and integrity by ensuring good documentation together with partners, promoting citizen participation, applying transparent criteria for decision-making, and using formal processes and tools.

Aggregate/overall risk: The aggregate risk is classified as medium, and the capacity to influence it is also classified as medium.

Risk	Classification*	Influenceability*	Risk management measure (implemented)
Political risks	2	2	
Changes in political priorities and restriction of civil rights following the 2026 presidential election			Strategy for a political transition with communication products, module focus on implementation in partner cities, cooperation with civil society, the private sector and networks
Implementation risks	2	2	
Delay in implementation due to limited partner capacity for cooperation in preparation for the 2026 presidential election Insufficient resources for the implementation of demonstration projects and the integration of new aspects into financing instruments Complex demands in coordination with private sector and civil society actors Resistance to inclusion and participation measures			Strategy for a political transition with communication products, module focus on implementation in partner cities, cooperation with civil society, the private sector and networks Targeted capacity development and awareness-raising for partner institutions Flexible management and transparent communication with the actors involved Continuous monitoring of project activities
Risks to long-term anchoring/sustainability	2	2	
Political instability or staff changes in relevant institutions Lack of trust and commitment from civil society or the private sector Limited technical knowledge and experience in applying new planning and financing instruments Lack of coordination or competition within or between institutions Insufficient financing sources for continuing and scaling up the approaches			Targeted training, awareness-raising and strategic organizational development with partner institutions
Environmental and social impact of the measure (unintended effects)	1	2	

Risk	Classification*	Influenceability*	Risk management measure (implemented)
Demonstration projects do not sufficiently take into account future climate impacts Conflicting objectives between climate protection and local economic development Insufficient consideration of regional differences and climate peculiarities in scaling-up ("*Upscaling*") Conflicts between beneficiary and non-selected urban areas regarding the design of demonstration projects			Specialized advisory support (e.g. data analysis, criteria definition), process support, capacity development, coordination of involved actors, and quality assurance in the planning and implementation of demonstration projects Making the selection criteria for demonstration project areas transparent, as well as their relevance to other neighborhoods
Corruption Risks (VI063)	3	1	
Corruption, clientelism and lack of transparency lead to irregularities in urban development			The issue will be addressed as part of the advisory support to the partner; good documentation of processes; public/citizen participation; transparent criteria for decisions
Aggregate/overall risk	2	2	

*) Levels: 1=low, 2=medium, 3=high, 4=very high

- Important Definitions

1. **Policy recommendation:** A recommendation shall be considered "made available" once it has been formally submitted by the municipal networks to the responsible department of the MCID. Evidence-based policy and operational recommendations to adapt policies, implementation strategies, financing programmes, and instruments, formulated and validated with municipal networks and formally submitted to the MCID. A recommendation is considered delivered once formally submitted to the responsible MCID department (by mail, electronically, or through official events).
2. **Climate justice / climate-just:** Approaches that combine climate change mitigation and adaptation with social justice, ensuring a fair distribution of climate risks, benefits, and impacts in urban development interventions.
3. **Cooperation with civil society:** the development of demonstration projects is carried out in coordination with neighbourhood organizations, community networks and/or interest groups.

4. **Cooperation with private sector actors:** Development of demonstration projects, including financing concepts, carried out in coordination with chambers of commerce, business associations and/or companies, with a focus on local economic development and public-private cooperation mechanisms. Expand the definition to explicitly include the popular economy and local micro-entrepreneurs, ensuring that financing strategies and demonstration projects are inclusive of this scale of business.
5. **Decentralized technical assistance:** strategy in which technical support to municipalities is not provided solely by a national coordinating body (e.g., ministries), but is distributed geographically, relying on state- or regional-level institutions that act as intermediaries in implementation. The rationale is to move away from a centralized model (with sporadic and limited support) toward a networked arrangement, where different levels of government and institutions share responsibilities.
6. **Demonstration projects:** Spatially limited and clearly defined projects focused on specific urban challenges, applying exemplary integrated urban development*, inclusive, and climate-just approaches.
7. **Development of demonstration projects:** Structuring and further development of a master plan/project concept including objectives, costs, implementation steps, governance arrangements, and defined implementation areas, in line with integrated urban development* approaches.
8. **Disseminated:** The practical tools are considered disseminated when they are transmitted through knowledge and communication products or exchange formats in a manner appropriate to the target group.
9. **Financing mechanisms:** National, subnational, and international financing instruments and programmes, including funding programmes and financing offers from public and development finance institutions relevant to integrated urban development*.
10. **Inclusive:** Equal consideration of different social groups—especially disadvantaged groups—and the promotion of gender and race equality in planning, financing, and implementation processes.
11. **Incorporation of adapted criteria (to improve access for cities in the Amazon region):** Financing mechanisms include new or adjusted access conditions, eligibility criteria, and institutional requirements adapted to the territorial, climatic, and institutional specificities of cities in the Amazon region.
12. **Institutionalized cooperation mechanism:** a system for long-term cooperation that is established with agreed regulations, processes and rules.
13. **Integrated Urban Development* (IUD):** Systemic consideration of relevant urban development sectors (e.g., housing, mobility, open spaces, drainage), engagement of different actors, and articulation across spatial and administrative levels. For the purposes of this assignment, the term “integrated urban development” (IUD) shall be understood as integrated, inclusive, and climate justice–oriented urban development.
14. **Marginalized urban areas:**
    a) Urban peripheries (e.g., informal settlements, neighbourhoods with precarious living conditions, favelas); and
    b) Cities in the Amazon region participating in the DUS Project.
15. **Multiplier cities:** Cities that adopt the practical instruments and related implementation experiences and demonstrate motivation or initial steps toward their implementation.

16. **Municipal networks:** for example, Rede para o Desenvolvimento Urbano Sustentável (ReDUS); Rede Brasileira de Institutos de Planejamento (InRede); Rede Periferia Viva (RePV); Frente Nacional de Prefeitas e Prefeitos (FNP); Comunidade de Práticas da GeoReDUS; and others to be defined.
17. **Policy recommendation:** Evidence-based proposals aimed at adapting policies, implementation strategies, financing programs, and instruments, formulated by city networks.
18. **State-level organizations:** Regional associations of cities or municipalities, or administrative institutions with a mandate in urban development, with technical departments, qualified staff and equipment, and services to support cities in planning and implementation processes.
19. **Technical advisory services:** Technical and methodological support, for example in project development, planning, preparation of funding applications, and implementation of integrated urban development* activities.
20. **Urban actors:** Municipal administrations, civil society, private sector actors, scientific institutions, and national and state-level institutions with a mandate in urban development involved in the implementation of integrated urban development*.