

São Paulo, July 29th, 2016

To:

Director of

**The Independent Consultation and Investigation Mechanism
of the Inter-American Development Bank**

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The residents of **Vila Aymoré São Paulo and Vila Any Guarulhos**, in the municipality of São Paulo, affected by the Alto Tietê Basin Floodable Area Recovery Program “Recuperação das Várzeas da Bacia do Alto Tietê – PVT (BR-L1216)”, financed by the Inter-American Development Bank, hereby present the following claim.

First, it is important to emphasize that the program involves the relocation of thousands of families, and it is being implemented according to a segregational policy, thus violating Operational Policy **OP-710** of this financial institution.

The Alto Tietê Basin Floodable Area Recovery Program is presented as a solution to River Tietê floods. The project encompasses two objectives: the recovery of the hydraulic functions of the floodable areas and the transformation of recovered areas into a linear park, with local roads and bicycle lanes, areas and equipment for leisure, tourism, culture and education.

The stated need of relocating an estimated population of 7,500 (seven thousand five hundred) families from the area, which would be a hindrance to the project at first, is justified by the poor sanitary and living conditions of the area. Moreover, the area's occupation is represented as irregular and damaging environmentally protected at-risk areas which should be vacated, regardless of the park project.

In spite of the fact that the project's alleged aim is the environmental and social function recovery of the area, the core of the project is the construction of the linear park, a recreational public area. In fact, the project is not limited to the flood containment measures and better distribution of rainwater drainage. The real issue is that authorities privilege the social function of the linear park, which is projected to be the largest of its kind in the world, over the social function of housing, which is already noticeably present in the area as a consolidated long-term occupation.

As regards formal guarantees by Brazilian authorities, it has been verified that the social safeguards required by the institutions are not being met.

Pursuant to **OP-710**, when the goal of an operation is to vacate residents from an unsuitable area, the guiding principle is to be that of minimizing disturbance for the population and ensuring that the interests of the affected population are taken into account.

An impoverishment risk analysis must be performed, since part of the groups to relocate belong to marginalized minorities. Such analysis must include the loss of housing, employment, access to production means and education, also food insecurity and the dismantling of social

networks. Such analysis must be made as soon as possible, covering gender, ethnicity, income and other socio-economic data, in order to determine the risks and to adopt preventive measures aimed at minimizing them.

Based on such considerations, a **Relocation Master Plan (PDR, as per the Portuguese acronym)** should be designed, including accurate socio-economic information, consultation with the affected community, from its design and throughout the execution of the plan, which should also set forth detailed compensation and rehabilitation measures, as well as form of execution.

The **Relocation Master Plan** (PDR) aims at fulfilling said role. The region's HDI is presented through the socio-economic analysis of the affected population. Based on the presented data, the development index ranges from medium to high, indicating a reasonable socio-economic situation. However, the plan considers that the situation in the area is not homogeneous and that poverty pockets hide behind the medium indexes, mainly in the areas closer to the riverbank, which are more likely to be subject to floods. Data provided by the IBGE (Brazilian Institute of Geography and Statistics) were also presented, featuring information about the urbanization of the affected areas, their population density, and the inhabitants' mean income level. Both the HDI data and the IBGE data refer to year 2000.

Based on said data, the mean per capita income level of the area would amount to 3.8 minimum wages. This would qualify them for inclusion in housing projects which cater to the population receiving 0-10 minimum wages. Thus, it was determined that the project would be conducted by the **DAEE** (Water and Electricity Department, as per the

Portuguese acronym), an agency related to the Sanitation and Energy Administration of the Government of the State of São Paulo, while the housing aid is to be jointly conducted with **SEHAB** (Municipal Housing Administration) and **CDHU** (Companhia de Desenvolvimento Habitacional e Urbano – Housing Development Company of the State of São Paulo).

The Relocation Master Plan (PDR) also considers a series of executive relocation plans exclusive for each municipality affected by the relocation. These would include information such as quantitative family data, population socio-economic profile and the solutions planned for the relocation and rehabilitation and social support of the relocated families, in addition to the population participation process. **These executive plans have not been designed.**

Thus, the alternatives for relocation are official housing policies, such as the sale of housing units at subsidized prices, and the hardship payment to cover living expenses while waiting for a permanent housing solution. These official policies are clearly insufficient. Relocated families will face a long “line” to receive housing, and will not receive enough money to rent another property during that period. In fact, what we have is a removal plan for the families without any specific strategy with respect to their relocation needs.

Although the Relocation Master Plan formally guarantees the participation of the community, no consultation with the community was made before defining the housing aid.

In addition to the complete exclusion of the population from the decision-making process, they were not even informed of the areas

effectively subject to the relocation, the project stages or the housing options. The private companies hired by the DAEE have already started the population registration process and the appraisal of the properties, with no further explanation to the population regarding the area where these works are to be performed. Considering that the project was officially announced by the DAEE in 2010, and is already undergoing its implementation phase, with several families already relocated, it can be inferred that the competent authorities already have this information and choose to restrict its disclosure to the population.

In view of the above, it is apparent that **the relocation plan was not even designed as set forth in Operational Policy OP-710**, let alone the implementation of the requirements for the relocation established for the projects financed by the Bank.

Therefore, the purpose of this letter is to request that appropriate measures be taken to demand from the executing agent the submittal of the corresponding plan before any population relocation proposal, as a condition for releasing the resources included in the Urban Restructuring Program. Said plan should at least include the following items: **(-a.)** Definition of the legal status of the affected population; **(-b.)** criteria for the selection of the location and type of housing; **(-c.)** detail of the existing and to be constructed public utilities, as well as their current and future capacities; **(-d.)** method of acquisition of the property; **(-e.)** existing infrastructure on the relocation land and the real impacts upon arrival of the new population group; **(-f.)** detail of the social inclusion programs to which they will have access, specifying the selection details, timeframe and enforcement terms; **(-g.)** guaranteed vacancies at schools and nurseries at facilities close to the new residences, which shall set forth the criteria for

inclusion in the units assigned to the residents; **(-h.)** guaranteed care at the municipal health clinics in the target neighbourhoods, indicating their current capacity and potential need to set up new units; **(-i.)** list of the transportation facilities in the target neighbourhood, indicating if the fleet will be increased, or if the service frequency will be increased to consider the new resettled population; **(-j.)** list of the leisure and cultural options made available to the residents of the target neighbourhoods; **(-l.)** list of the accessibility conditions existing at the target neighbourhoods; **(-m.)** plan for following-up on the health conditions of the relocated residents; 12) school reinsertion programs for children in the target community, ensuring their priority in obtaining a vacancy; 13) assistance program for the elderly and disabled individuals in the resettled population. All these requirements shall be audited by the Bank.

Movimento pelo Fim das Enchentes (Movement for Flood Control)

Coordinator

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