Program Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 19-Jul-2023 | Report No: PIDA36387

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Ecuador	P180319	Ecuador Third Green and Resilient Recovery DPF (EGARR-DPF3) (P180319)	P178636
Region	Estimated Board Date	Practice Area (Lead)	Financing Instrument
LATIN AMERICA AND CARIBBEAN	04-Aug-2023	Macroeconomics, Trade and Investment	Development Policy Financing
Borrower(s)	Implementing Agency		
Republic of Ecuador	Ministry of Economy and Finance		

Proposed Development Objective(s)

The Program's Development Objective (PDO) is to assist the government of Ecuador in its agenda to tackle selected structural challenges to foster inclusive, resilient, and low-carbon development.

Financing (in US$, Millions)

SUMMARY

Total Financing	500.00

DETAILS

Total World Bank Group Financing	500.00
World Bank Lending	500.00

Decision

The review did authorize the team to appraise and negotiate

B. Introduction and Context

Country Context

The proposed Third Green and Resilient Recovery Development Policy Financing (DPF), for US$500 million, is the final operation in a programmatic series of three. The series seeks to assist the Government of Ecuador (GoE) in tackling selected structural challenges to foster inclusive, resilient, and low-carbon development. The first operation, for US$700 million, was approved by the World Bank's (WB) Board of Executive Directors in February 2022, and the second, for US$500 million, was approved in December 2022. This series is fully aligned with the National Development Plan 2021-2025 (*Plan de Creación de Oportunidades 2021-2025*, NDP) and the Country Partnership Framework (CPF) FY2019-2023.

Amid a challenging domestic and external environment, Ecuador has improved its macroeconomic fundamentals. After rebounding 4.2 percent from the pandemic-led 2020 recession, Gross Domestic Product (GDP) grew by 2.9 percent in 2022. Growth was fueled by the ongoing recovery of consumption but adversely affected by protests, sporadic disruptions of oil production, and political uncertainty. Following a fiscal deficit of 1.7 percent of GDP in 2021, fiscal accounts nearly balanced in 2022 on the back of the recovery in economic activity, improving oil prices, the 2021 tax reform, public expenditure rationalization, and debt renegotiations with China. Public debt declined from a peak of 62.3 percent of GDP in 2021 to 58.1 percent in 2022, and international reserves rose from a low of 2.4 percent of GDP in 2017 to 7.3 percent in 2022, restoring confidence in dollarization.

A lack of consensus, compounded by episodes of social unrest and political instability, poses challenges to advancing critical reforms. In the past few years, the GoE has struggled to pass critical reforms in the National Assembly to improve the public-private partnership (PPP) legal framework and reduce rigidities in new hiring. Episodes of social unrest have increased uncertainty, delaying new investment in oil and mining and forcing the authorities to freeze and reduce fuel prices and look for alternatives to better target fuel subsidies. More recently, new political uncertainty arose by the dissolution of the National Assembly and the call for early election in August 2023 by President Lasso based on the constitution's mutual death clause. In addition, the GoE decided to increase public spending on security and reconstruction in response to a deteriorating security situation that has become a political priority and an earthquake and heavy seasonal rains hit the economy. The challenging domestic environment has also increased the perception of country risks, significantly raising the interest-rate spread in the context of tighter emerging market financing conditions.

Despite this challenging context, the GoE has made progress in moving toward faster, inclusive, greener, and more resilient growth. Sustained fiscal consolidation is critical to building buffers to face the potential effects of compounded crises in a dollarized economy. At the same time, these indispensable consolidation measures and pervasive and continued political uncertainty have subdued growth. Going forward, consolidation efforts would need to continue supporting better inclusion and social resilience of vulnerable people while helping Ecuador meet its climate commitments. This cannot be achieved without progress on growth-enhancing structural reforms that foster private investment and productivity, critical for a green transition. After decades of negligible productivity gains, Ecuador needs to address structural weaknesses that hinder competitiveness, including the prevalence of protectionism, rigid labor markets, the lack of an effective insolvency framework, distortive market regulations, and limited competition. Recognizing the importance of both fiscal consolidation and growth-enhancing structural reforms, the GoE, supported by this DPF series, implemented a series of reforms in the past few years, building on previous reforms. It increased the tax burden on better-off people and firms with higher profits, targeted the fuel subsidy, approved regulations to make public procurement more efficient, integrated climate change-related challenges into budget planning, and enhanced competitiveness by reducing tariff and non-tariff trade barriers and negotiating trade agreements.

The GoE is also making efforts to deal with climate-related disasters and other issues that disproportionally affect the most vulnerable population. Exposed to earthquakes, floods, and droughts, Ecuador is among the 10 countries worldwide with the highest natural disaster risk. Vulnerability to the El Niño Southern Oscillation (ENSO) and related disasters such as floods and landslides is exacerbated by the fact that 64 percent of the population is urban and urban centers are concentrated in the coastal and mountainous regions. Ecuadorian firms lose US$1 billion annually due to infrastructure disruptions, mainly transport and power.[1] In March 2023, the country was hit by a 6.8 magnitude earthquake that, in conjunction with a heavy rain season, caused damages of about US$200 million. To foster social resilience, the GoE, supported by this DPF series, has improved the social safety net to reach the most vulnerable, including those exposed to climate risks and other natural disasters. This effort complemented other social inclusion measures aimed at reducing malnutrition (which affects one-quarter of children under age 5), easing the integration of migrants, and reducing gender gaps.

Despite low per capita greenhouse gas (GHG) emissions, Ecuador is committed to reaching carbon neutrality by 2050. In its Nationally Determined Contribution (NDC), Ecuador committed to an unconditional reduction of 9 percent of its overall GHG emissions and an unconditional target of 20.9 percent in the energy, industrial, waste, and agricultural sectors by promoting voluntary carbon offset programs and improving its institutional capacity to mainstream climate issues economywide. Reaching the NDC will require reducing land-use change, forestry, and agriculture emissions, accounting for 40 percent of emissions, and the energy and transport sector emissions, accounting for 45 percent.[2] Several of the proposed prior actions supported by this DPF series target these sectors, such as improving sustainable forest management, reducing gas flaring in the oil fields, and fostering energy efficiency. Improvements in regulations, supported by the operations, will help attract private investment into non-conventional renewable energy (NCRE) generation. By reducing GHG emissions and opening new sustainable forestry-related investment opportunities, implementing these reforms can improve labor productivity and create jobs. To further mobilize private investments, Ecuador is creating a voluntary carbon offset platform and establishing the governance and institutional setup for increasing the integration of economywide climate action and further access to climate financing.

In this context, the third and final operation in this DPF series supports implementation of critical reforms under the series while highlighting some critical new progress on reforms. The GoE has successfully implemented key triggers identified in the second operation in areas such as sovereign green bond issuance, climate-related fiscal contingencies, child malnutrition, migration, voluntary carbon compensations, and sustainable and resilient forest management. This operation also recognized some critical measures, some of which benefitted from World Bank technical assistance, to fuel subsidy targeting, gender inclusion, distributed generation, and energy efficiency.

The operation includes reforms that entail opportunities for green growth for Private Capital Mobilization (PCM). Some prior actions laid the groundwork for mobilizing private capital to support Ecuador's green agenda, such as the institutional and governance framework to allow green bond issuance, the quantification of contingent liabilities caused by climate-related disasters in PPP projects, the regulation on distributed renewable generation, and the reduction of tariffs on lithium batteries. These measures can help mobilize the private sector to develop clean energy and low-carbon development in Ecuador and other countries (including Chile, Mexico, and Spain), generating many green job opportunities.[3] Moreover, the operation supports a mechanism to acknowledge the private sector's effort to reduce emissions and support a net zero development pathway in the country.

[1] IADB. 2021. Políticas climáticas en América Latina y el Caribe: Casos exitosos y desafíos en la lucha contra el cambio climático.
[2] CAIT Climate Data Explorer.
[3] According to a recent ILO/IDB study, a decarbonization-focused recovery could generate 15 million jobs in Latin America. Studies have identified that infrastructure investment paths can be compatible with full decarbonization, and they do not need to cost more than more polluting alternatives (Rozenberg, F*ay. 2019. Beyond the Gap: How Countries Can Afford the Infrastructure They Need while Protecting* the Planet). With the right policies, investments of 4.5 percent of GDP would enable low- and middle-income countries to achieve the infrastructure-related sustainable development goals and stay on track to limit climate change to 2ºC. In Chile, the Ministry of Finance led a study (Green Growth Opportunities for the decarbonization goal for Chile, 2020), concluding that implementing a mitigation policy package, jointly proposed by the Ministries of Energy, Environment, and Agriculture, can have a positive impact on the economy, that could mean an additional growth of 4.4 percent of its GDP by 2050. Hepburn, C., O'Callaghan, B., Stern, N., Stiglitz, J., and Zenghelis, D. 2020. Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change?. Oxford Smith School Working Paper 20-02. In addition, 2019, data from IRENA shows that all renewable energy technologies generated 89,236 direct and indirect jobs in Spain, 97,868 new jobs in Mexico, 17,493 in Chile, and 12,448 new positions in Ecuador.

Relationship to CPF

The DPF series play a central role in the WBG's engagement with Ecuador and is fully aligned with the WBG's FY19-FY23 CPF (Report No. 135374-EC, discussed by the Board in June 2019), while the third DPF is aligned with the FY23-FY25 PLR (Report No. 175329-EC, discussed by the Board in May 2023). The CPF focuses on achieving the WBG's twin goals—ending extreme poverty and boosting shared prosperity—through three interdependent areas: (i) Supporting Fundamentals for Inclusive Growth, (ii) Building Human Capital and Protecting the Poor, and (iii) Enhancing Institutional and Environmental Sustainability. Pillar 1 of the proposed DPF series supports CPF objectives under results area (i), (ii), and (iii), and Pillar 2 supports CPF objectives under results area (iii). Additionally, the DPF of this series is broadly aligned with the recently discussed Performance and Learning Review (PLR), which proposes a CPF extension through FY25, setting the following result areas: (i) Supporting Fundamentals for Inclusive Growth, (ii) Boosting Human Capital and Protecting the Vulnerable, and (iii) Enhancing Institutional and Environmental Sustainability.

The third DPF supports regulatory reforms related to sustainable forest management and will inform an investment lending operation under preparation. In turn, the IPF will contribute to building the technical and financial capacities to support the implementation of sustainable forest management policies and sustainable forestry value chains.

C. Proposed Development Objective(s)

The Program's Development Objective (PDO) is to assist the government of Ecuador in its agenda to tackle selected structural challenges to foster inclusive, resilient, and low-carbon development.

Key Results

The expected results of this operation include aligning Ecuador's macro-fiscal policies and practices with its climate goals and adopting a budgeting approach that prioritizes climate-responsive investments and moves from greening projects to greening the economy. These structural changes are expected to foster growth potential and protect the vulnerable population. The structural reforms can bolster private investment as they reduce the cost of imported capital goods such as machinery and mechanical appliances, increase the participation of the private sector in the provision of NCRE, and reduce GHG emissions generated from gas flaring and by improving sustainable forest management.

D. Project Description

Pillar 1 of the third DPF operation supports critical structural reforms to foster green growth, inclusion, and climate resilience. In addition to better-targeted fuel subsidies, it strengthens the fiscal framework by enhancing the institutional setup to address climate-related challenges, including the governance for green bond issuance and quantifying fiscal risk in PPP projects. This pillar also supports reforms to foster social inclusion and resilience by encouraging people to use public services to tackle malnutrition and fostering gender parity in the overall economy, including the power sector.

Actions under Pillar 2 support the GoE's efforts to strengthen low-carbon development. The measures seek to prioritize actions on the largest mitigation opportunities to help integrate climate and development in Ecuador. They aim to promote green growth and private capital mobilization. The key sectors contributing to GHG emissions in Ecuador are land-use change and forestry (27 percent of emissions), energy (25 percent), and transportation (20 percent). Reforms under this pillar focus on mitigation measures with the potential for a green and resilient economic recovery by promoting private investment in NCRE energy, encouraging increased energy efficiency, supporting the development of voluntary carbon-offset mechanisms, and promoting sustainable forest management.

The proposed operation is aligned with the goals of the Paris Agreement, provides significant climate co-benefits, and is broadly aligned with the Green, Resilient, and Inclusive Development (GRID)[4] framework, the Global Crises Response Framework (GCRF),[5] and the WBG Roadmap for Climate Action in Latin America and the Caribbean. All prior actions of the proposed DPF are aligned with the goals of the Paris Agreement as they are consistent with the country's NDC, they are not likely to cause a significant increase in GHG emissions or barriers to transition to low-GHG emissions, and their contributions to the PDO are not expected to be affected by climate hazards, but to increase the resilience of the Ecuadorian population. The reform program is aligned with three out of four GCRF pillars: (ii) Protecting people and preserving jobs; (iii) Strengthening resilience; and (iv) Strengthening policies, institutions, and investments for rebuilding better. On the adaptation to increased climate-related shocks, the proposed operation acknowledges GoE's efforts to increase its ability to confront climate impacts by reducing its fiscal risks by targeting fuel subsidies, a low-carbon growth initiative. This action complements previous efforts to reduce oil export revenues' dependency and advance Ecuador's NDC commitments on adaptation and mitigation efforts. Adaptation is reflected in the GoE effort to enhance the institutional setup to handle climate disaster risks and improve public services to take malnutrition while strengthening gender equality. On the mitigation side, the proposed operation includes actions to enhance the energy sector's decarbonization by promoting distributed non-conventional energy generation, reducing tariffs on lithium battery imports, setting decarbonization strategies in the energy sector, improving transport efficiency, fostering the development of voluntary carbon markets, and promoting sustainable forest management to reduce deforestation and increase conservation and restoration. Therefore, the operation addresses critical mitigation levers identified by the Intergovernmental Panel on Climate Change (IPCC) and in the NDC commitments of Ecuador to implement its goals under the Paris Agreement.

E. Implementation

Institutional and Implementation Arrangements

The Ministry of Economy and Finance (MEF) will be the main coordinating agency for monitoring and evaluation among other participating ministries. The Prior Actions detailed in this operation are the prime responsibility of the following ministries and agencies: MEF; Ministry of Production, Investment, Commerce and Fisheries; National Planning Agency; Ministry of Economic and Social Inclusion; Ministry of Foreign Affairs and Human Mobility; Ministry of Energy and Mines, Ministry of Environment, Water, and Ecological Transition; and the Office of the Presidency. MEF will coordinate with other ministries to monitor the results indicators based on publicly available information. The WB will monitor the implementation of the DPF through regular supervision missions.

Program outcomes will be monitored by measuring progress toward achieving results indicators included in the policy and results matrix. They will be evaluated following the disbursement of the third DPF. MEF will be responsible for presenting the information related to the reform implementation and progress made toward results on time upon request and in a format satisfactory to the WB.

F. Poverty and Social Impacts, and Environmental, Forests, and Other Natural Resource Aspects

[4] World Bank. 2021. From COVID-19 Crisis Response to Resilient Recovery - Saving Lives and Livelihoods while Supporting Green, Resilient and Inclusive Development (GRID).
[5] World Bank. 2022. Navigating Multiple Crises, staying the course on Long-Term Development. The World Bank Group's Response to the Crises affecting Developing Countries.

Poverty and Social Impacts

The poverty and social impacts of the policies supported by this operation are expected to be positive, with most of the benefits expected to be realized in the medium- and long term. The operation's poverty and social impact analysis (PSIA) focuses on the potential impact of prior actions on poverty, income distribution, employment, and gender. The quantitative analysis relies on official information, household surveys, own estimations, and academic research. Overall, the set of policies in this operation aims to continue supporting economic recovery in the short term and laying the foundations to achieve sustainable development with broad social benefits in the medium and long runs. The first pillar supports critical elements of the DPF's economic, social, and integral security pillars that will boost productivity, with important effects on reducing poverty, protecting families, and promoting social inclusion for the vulnerable in the medium and long run. The second pillar will promote green growth measures through a low-carbon economy and climate change mitigation and adaptation measures without negative welfare effects in the short run. These measures will create an adequate environment to boost productivity and promote job creation, setting the conditions for poverty reduction in the medium and long run.

Prior actions(PAs) supported under Pillar 1 are expected to have small impacts on poverty and inequality in the short term but positive impacts on household's welfare in the medium to long run. The removal of the fuel subsidy for large shrimp farms is not expected to significantly impact poverty due to the remaining benefit for small and artisanal shrimp farm production and small businesses in the sector. Financial measures related to green bond issuance and quantifying contingent liabilities caused by climate change and climate-related disasters for PPPs are not expected to significantly impact equity and poverty in the short run. In the long run, indirect positive welfare impacts could be expected by increasing green financing and procuring more resilient infrastructure (e.g., energy, transport, and water sanitation). The implementation of a partly conditional cash transfer (Bono 1000 días) for poor pregnant women and children up to 2 years old is expected to have positive welfare impacts in the medium to long run, considering that investments in early childhood have proven crucial to improve health, economic and social outputs at the individual and society levels. Moreover, increasing women's representation in the power sector is also expected to improve welfare in the medium to long term by enhancing employability, reducing vulnerability, and addressing gender disparities.

Prior actions supported under Pillar 2 aimed to strengthen low-carbon development are not expected to impact the well-being of poor households in the short term; nevertheless, positive effects are expected in the medium and long term. Policies aimed at increasing clean energy use, such as the promotion of distributed renewable generation for non-regulated customers and the tariff reduction on lithium batteries, can have medium and long-run welfare effects by increasing private investment in clean energy projects, which could lead to lower generation costs, affordable energy access in remote areas, and job creation. Institutional measures that facilitate energy transition, increase the energy sector's efficiency, and establish a neutralization mechanism under the Ecuador Zero Carbon Program (Programa Ecuador Carbono Cero, PECC) for public and private entities can reduce emissions and reduce negative externalities associated with fossil fuels in the long run, such as adverse health impacts, particularly of poor households living near oil fields. Integrated forest management plans and regulations on the traceability of timber and non-timber exports and imports can positively impact the welfare of rural populations by improving sustainable forest management and can create opportunities for poor households in rural areas, including indigenous groups, whose subsistence and income depend on forest products.

Environmental, Forests, and Other Natural Resource Aspects

In aggregate, policy measures supported by the DPF are expected to have positive effects on Ecuador's environment, including forests and other natural resources. Potential adverse effects from PA#5 related to promoting distributed renewable generation at the industrial and commercial levels and from PA#6 related to the tariffs on lithium batteries to foster the use of clean energy can be adequately managed by Ecuador´s legal framework. Annex 4, and the text below, includes the environmental assessment for each prior action, highlighting the expected effects.

The measures supported under Pillar 1, aiming to tackle selected structural challenges to foster green growth, inclusion, and climate resilience of the proposed DPF, are expected to have overall positive effects on the environment, forests, and other natural resources. The proposed policy reforms aimed at reducing the diesel subsidy to large shrimp farms (PA#1), setting up a new governance and institutional framework to enable the issuance of green bonds (PA#2), and assessing climate-related expenditures in PPPs (PA#3) are all expected to have a positive effect on Ecuador´s environment, forests, or other natural resources. Eliminating the diesel subsidy for large shrimp farms (PA#1) is expected to incentivize more efficient fuel use and a reduction in GHG emissions derived from fuel consumption. Better-allocating climate expenditures (PA#2) and enhancing the capacity to assess climate-related contingent liabilities and quantify disaster risks (PA#3) are expected to have a positive effect on the environment as they will promote more efficient use of resources. Actions under PA#4, related to fostering inclusion and social resilience, are expected to have neutral impacts on the environment and natural resources.

Policy measures supported by Pillar 2 related to strengthening low-carbon development are expected to have positive effects on the environment, forests, and other natural resources. PA#9 will promote resilience and carbon neutrality in non-forest areas, and it is expected to produce positive effects for the environment in a country aiming to achieve carbon neutrality in the productive and services sectors. PA#10, which fosters sustainable forestry management by promoting deforestation-free integrated forest management plans and enacting regulations on the traceability of timber and non-timber exports and imports, is expected to result in better forest conservation while promoting sustainable management practices.

PA#6 fosters the modernization of the regulatory framework to promote distributed renewable generation at industrial and commercial levels and PA#7 reduces the tariffs on lithium batteries to encourage the use of clean energy. Both measures are expected to result in positive effects on the environment by lowering the GHG emissions profile in the energy sector. However, negative effects on the environment could result from the inadequate installation, connection, and operation of distributed renewable energy generation systems and poor management of batteries disposal. Potential risks from the installation and operation of clean energy projects will be managed under Environmental Organic Code No. 983, 2017 (articles 172 to 190), which requires project developers to prevent and reduce potential environmental impacts and requires notification if an impact is caused.

There are no standards in place to regulate lithium specifically, but Ecuador has a strong regulatory system that enables the proper management and disposal of products that fall into the hazardous products/waste category. This system would cover the risks that may arise from improper management and disposal of lithium batteries. The regulatory powers lie within the Ministry of Environment, Water and Ecological Transition legal framework to manage hazardous waste and, more specifically, with compliance and enforcement powers derived from (i) the Environmental Organic Code, which establishes macro criteria for the management of hazardous products and waste; (ii) the Political Constitution of the Republic of Ecuador, which establishes the prevention of environmental damage as a priority (article 14) and mandates effective mechanisms for the prevention and control of environmental pollution, regulating the production, importation, distribution, use, and final disposal of toxic and hazardous materials for people or the environment (article 397); (iii) Ministerial Agreement 161, which regulates the prevention and control of contamination by hazardous chemicals as well as hazardous and special wastes; (iv) Ministerial Agreement 026, which regulates from the administrative point of view the generation, transportation, and treatment of hazardous waste; and (v) Ecuadorian Technical Standard 807-

4:2010, which establishes basic criteria for the management of lithium batteries. In addition, it is expected that Ecuador will develop specific e-waste regulation and collection programs by 2025.

G. Risks and Mitigation

The overall risk of this operation is substantial. Key risks include political and governance risks, macroeconomic risks, institutional capacity, fiduciary risks, and stakeholder risks, some of which cannot be fully mitigated. However, a strategic approach allows the DPF series to be adjusted if these risks materialize. Specific risks, along with mitigation measures, are discussed below.

Political and governance risks are high. The recent dissolution of the National Assembly and call for early elections has increased political uncertainty about Ecuador's future policy stance and the continuity of some measures the current administration has implemented. To mitigate this and other political and governance risks, this DPF series has mainly supported policies that would not be reversed by a wide range of the political spectrum, including all those measures that help Ecuador to deal with climate change challenges. Following this principle, the prior actions of this DPF mainly support relevant and uncontentious measures that, in most cases, underpin the reforms supported by the two previous DPFs. This DPF does not include the urgent economic measures the GoE has submitted for review by the Constitutional Court since the National Assembly was dissolved.

Macroeconomic risks are substantial. Ecuador could be hit by the compounding international crises that are increasing international interest rates, dampening economic recovery, and reducing commodity prices. The country is also exposed to natural disasters like floods and earthquakes and lower-than-expected recovery of private investment. Despite the strong track record in fiscal consolidation attained in recent years, Ecuador's economy is also exposed to delays in the ongoing fiscal consolidation resulting from the ongoing political transitions that will lead to early elections in 2023 and a new general election in 2025, which could delay sovereign bond issuance, leading to substantial refinancing risks. Without a new International Monetary Fund (IMF) program or a return to the international capital market based on prudent fiscal management, the upcoming administrations would need additional financing from official creditors to complete their fiscal consolidation and be able to repay rising debt service. However, these macroeconomic threats do not entail a high risk for the DPF program implementation because most prior actions do not put additional pressure on fiscal accounts. Moreover, some actions supported by this DPF series aim to mitigate these risks by, for example, supporting measures to make fiscal accounts more resilient and improving the fiscal balance to accumulate fiscal buffers and regain access to international capital markets. Although President Lasso has recently called for early elections, widely supported dollarization and limited access to external financing are expected to preserve prudent fiscal management in many political scenarios.

Institutional implementation capacity risks are substantial. The GoE is deeply committed to the proposed program, but implementation capacity is low. The authorities have mobilized technical assistance, including expertise from the WB, in many areas supported by this operation to mitigate these risks. WB's technical assistance includes support for enhancing institutional governance for issuing sovereign green bonds, improving fuel subsidy targeting, designing an instrument to measure and manage climate-related risks, and setting up the institutional arrangement to promote energy transitions. Other multilateral donors have also provided significant technical support. The WB's dialogue is supported by and closely coordinated with the IMF, Inter-American Development Bank (IADB), and Latin American Development Bank (CAF) to avoid duplication and enhance synergies.

Stakeholder risks are substantial. Although the selection of prior actions has factored into local political economy considerations, political and social tensions can adversely affect the successful implementation of the overall GoE reform agenda. This operation seeks to mitigate stakeholder risks by assessing the scope of potential opposition extending beyond the specific operation. The GoE mitigates these risks through consultations to ensure that critical reforms are well communicated and understood.

CONTACT POINT

World Bank

Christian Yves Gonzalez Amador, Janina Andrea Franco Salazar, Julio Velasco
Senior Economist

Borrower/Client/Recipient

Republic of Ecuador
Leonardo Sánchez
Vice Minister of Economy
lfsanchez@finanzas.gob.ec

Implementing Agencies

Ministry of Economy and Finance
Leonardo Sánchez
Vice Minister of Economy
lfsanchez@finanzas.gob.ec

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: http://www.worldbank.org/projects

APPROVAL

Task Team Leader(s):	Christian Yves Gonzalez Amador, Janina Andrea Franco Salazar, Julio Velasco

Approved By

Country Director:	Pilar Maisterra	06-Jun-2023