



The World Bank

Territorial Economic Empowerment for the Indigenous, Afro-Ecuadorians and Montubian Peoples and Nationalities (TEEIPAM) (P173283)

Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 19-Feb-2020 | Report No: PIDC28792

**BASIC INFORMATION****A. Basic Project Data**

Country Ecuador	Project ID P173283	Parent Project ID (if any)	Project Name Territorial Economic Empowerment for the Indigenous, Afro-Ecuadorians and Montubian Peoples and Nationalities (TEEIPAM)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date Jul 20, 2020	Estimated Board Date Oct 12, 2020	Practice Area (Lead) Social
Financing Instrument Investment Project Financing	Borrower(s) Republic of Ecuador	Implementing Agency Secretariat of Human Rights (Secretaria de Derechos Humanos)	

Proposed Development Objective(s)

13. The Project Development Objective (PDO) is to increase income generation opportunities for targeted Indigenous Peoples and Nationalities, Afro-Descendants, and Montubians, in accordance with their vision and priorities for development.

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	150.00
Total Financing	150.00
of which IBRD/IDA	150.00
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	150.00
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Environmental and Social Risk Classification

Substantial

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Ecuador is an upper-middle income country that boasts a diverse geography and abundant natural capital endowment.** Continental Ecuador includes three diverse landscapes, namely the coastal region in the West, the central highlands, where the country's capital city, Quito, is located, and the Amazon rainforest in the east¹. The majority of the country's 16 million inhabitants lives in the highlands and the Coast. Ecuador is the world's 11th most biodiverse nation, with agricultural land comprising 30 percent of the largely cultivated topography.
- 2. Ecuador's Constitution recognizes the plurinational and multicultural nature of its heterogenous population and promotes a more inclusive approach to development by maintaining the importance of the broader environment, cultural diversity and social inclusion².** One of the central pillars of Ecuador's 2008 Constitution is the principle of "Buen Vivir" or Sumak Kawsay (*well-being*), which recognizes the importance of strengthening social cohesion and community values, encouraging meaningful participation by citizens in decision-making processes, and recognizing the rights of nature.³ Ecuador has the sixth largest Indigenous population and fifth largest Afro-descendant (AD) population in the Latin America and the Caribbean Region. According to the latest national census (2010), approximately 21 percent of the Ecuadorian population self-identifies as Indigenous (7 percent), Afro-descendant (7.1 percent) or Montubian (7.4 percent), with the remainder identifying as Mestizo (72 percent), White (6.1 percent) or Other (0.4 percent). Indigenous Peoples (IPs), Montubians, and Afro-Ecuadorians (AEs) tend to be concentrated in certain geographic areas: IPs live predominantly in rural areas in the highlands and Amazon (80 percent), Montubians⁴ live along the coast, and three-quarters of AEs live in urban areas.
- 3. In the last 15 years, notable strides were made towards reducing poverty and inequality in Ecuador.** Welfare gains were driven primarily by a substantial increase in oil revenues, favorable economic reforms⁵, and the expansion of the public sector⁶. A tripling of public investment between 2007 and 2014 led to greater access to

¹ Among these regions, poverty rates are higher in the Amazon and in the rural Sierra.

² Chapter Four of Ecuador's 2008 Constitution enshrines the rights of IPAMs to live free of discrimination and racism, ownership to community lands, and to freely uphold their identity, ancestral traditions and forms of social organization.

³ Dugarova, Esuna (2015): Social Inclusion, poverty eradication and the 2030 agenda for sustainable development.

⁴ Montubians are an ethnic minority of rural Mestizos known for their ranching and farming activities, rodeos, rites, music and distinctive attire.

⁵ Among others, these include financial sector stabilization, trade integration and trade discipline.

⁶ The public sector doubled, and public spending increased from 20 percent of GDP in 2004 to 43 percent by 2014.



basic services such as water, sanitation and electricity and improved human development outcomes. A recent INEC report shows that between 2008 and 2018, poverty in Ecuador decreased more than ten percentage points and extreme poverty was halved.⁷ Poverty measured by the unsatisfied basic needs indicator also reduced from 47 percent to 33.5 percent during the same period.⁸

- 4. Social advances were not shared equitably, however, and the historical and systematic exclusion of IPs, AEs and Montubians (collectively referred to as IPAMs) persist, with notable gaps in measures of well-being between IPAMs and those of the White and Mestizo populations.** In both rural and urban areas, indicators of well-being and ethnicity are closely related: IPAMs display inadequate access to basic services, poorer health and education outcomes, and lower living standards than Whites/Mestizos. Whereas the national poverty rate is 25 percent, poverty levels for IPs, AEs, and Montubians are 78.6 percent, 61.8 percent and 82 percent respectively.⁹ IPAMs also suffer from lower access to basic services, including water and sanitation (IPAMs are up to 3x more likely to have a home without a sewage system¹⁰) and technology (non-IPAMs are more than 2x as likely to have a computer in the home and up to 12x more likely to have internet). IPAMs, on average, attend only ¾ of the years of schooling completed by Whites/Mestizos¹¹, and are also up to 3x more likely to be illiterate¹². These differences widen in higher levels of education, often as a result of discrimination and economic difficulties: only 4 out of 100 Montubians age 25 or older have a university degree, as compared to 32 percent of Whites.¹³ Furthermore, educational programs often fail to consider and adopt cultural differences and language, resulting in a loss of culture and poorer outcomes for IPAMs: by the time indigenous youth finish primary school, only one in three speaks an indigenous language and only 5 percent report doing so by the time they finish high school. Health outcomes are similarly lower for IPAMs, as they experience higher levels of chronic malnutrition¹⁴, worse anthropometric measures¹⁵, higher rates of developmental delays¹⁶, and greater exposure to violence.

- 5. IPAMs have become increasingly mobilized and active, through representative groups, in the political arena.** In 1986, IPs formed the first political organization at the national level (Confederation of Indigenous Nationalities of Ecuador or *CONAIE*), which has since been influential in politics, including the establishment of a bilingual intercultural education system and the ouster of presidents in 1997 and 2000. The subsequent Council for the Development of the Indigenous Peoples and Nationalities of Ecuador (*CODENPE*), formed in 1999, and later AE and Montubian development councils were created to (i) recognize ethnic identity and collective rights and (ii) combat racial discrimination. The IP organizations have traditionally been among the best organized. However,

⁷ INEC, 2018a

⁸ Ibid.

⁹ INEC (2010)

¹⁰ Ibid.

¹¹ Per INEC, Whites complete an average of 10.7 years of schooling, whereas IPs, AEs and Montubians only complete an average of 6.4 years, 8.4 years, and 7.4 years respectively.

¹² Ecuador's national illiteracy rate is 6.8 percent, and yet among IPAMs, illiteracy levels rise to 20 percent, 7.6 percent, and 12.9 percent respectively (Anton, Jhon - 2013).

¹³ Vasquez, Alicia Isabel (2013). "El acceso laboral del pueblo montubio en las Instituciones del Estado".

¹⁴ AEs are the only group for which malnutrition rates actually rose between 2004-2012; IPs continue to show the highest rates of malnutrition (9.6 percent in 2012 compared the 6 percent national average).

¹⁵ Stunting and short stature rates were higher in IP women, whereas overweight and obesity rates were higher in AE women. Ramirez-Luzuriaga, MJ (2019).

¹⁶ SENPLADES (2013).



during the Correa administration, many of the spaces available for dialogue between civil society organizations (CSOs) and the government were dismantled¹⁷.

- 6. In early October 2019, the Government of Ecuador (GoE) announced a sharp overnight rise in fuel prices leading to mass protests.** Prior to the GoE's announcement, peaceful protests had been planned by the IP's movement to demand equality grounded in their historical abandonment, greater inclusion in decision-making processes, and recuperation of spaces lost for structured exchanges between government entities and CSOs. The reaction to the proposed elimination of fuel subsidies triggered mass mobilization of both IP organizations, and other aggrieved members of the population. They included unemployed youth, low- and middle-class workers who leveraged the protests to address a culmination of discontent and unrest resulting from growing inequality, unemployment, and the rupture between Government and Civil Society. The GoE declared a state of emergency after thousands of protesters fought with police in Quito and Guayaquil, which was followed by 11 days of violent protests. President Lenín Moreno reached an agreement with IP activists and committed to withdraw the presidential decree that eliminated fuel subsidies in order to bring stakeholders back to the table to discuss the way forward. Since October, the Catholic Church and the United Nations Development Programme (UNDP) have served as mediators between the "social movements" in the country and the GoE. A wish list of policy changes and investments have been compiled and negotiations are underway with the GoE to prioritize actions to respond.

Sectoral and Institutional Context

- 7. Factors contributing to weak income generation and economic opportunities for IPAMs can be attributed to a range of factors, varying slightly in urban and rural areas. Common to all three populations are:** (i) high levels of informality and weak levels of association among producers; (ii) low education attainment and access to professional or technical development opportunities to diversify economic activities, improve quality and quantity of production, and improve business management; (iii) weak direct access to markets and buyers, resulting in significant income loss to intermediaries; (iv) lack of access to critical production factors, including information and communication technologies (ICT), exacerbated by external threats to land, water and natural resources; (v) limited access to formal financial services; and (vi) high levels of discrimination leading to market exclusion, labor segmentation, and income/wages received.
- 8. In rural areas, IPAMs are primarily engaged in informal agriculture based on a family production model, with plots of less than five hectares, and are producing 84 percent of the food consumed daily by the entire Ecuadorian population, a fact often referred to as the unrecognized "rural subsidy" of IPAMs to urban areas.** These different forms of family farming generate around 4 percent of GDP, employ one in three rural inhabitants, energize the local economy, and conserve and maintain agro-biodiversity, water sources, rural landscape, as well as the gastronomic heritage of Ecuador.¹⁸ Nevertheless, malnutrition rates among IPAMs reach 47 percent¹⁹ and, given high levels of intermediation, the income generated is insufficient to meet basic needs.

¹⁷ These Councils were replaced with Equality Councils, for which representatives are no longer elected by their IPAM peers but rather nominated by the government according to their academic and professional experience.

¹⁸ Manifesto by the AFCC, Quito, December 2019

¹⁹ Larrea, Carlos and Wilma Freire (2017). "Social Inequality and Child Malnutrition in Four Andean Countries." *Revista Panamericana De Salud Publica* 11.5-6 (2002): 356-64.



The promotion of agro-industrial production models promoting single-crop farming, the overuse of pesticides and other chemicals that reduce soil quality, and the movement from community based production models to individual family production, have left IPAM producers in an extremely precarious situation, as demonstrated by the exponential rise in rural-urban migration: 7 percent in 2000 to almost 30 percent in 2019²⁰.

9. **Part of the solution proposed by IPAM organizations to increase income, as well as sustainability, is to support the revitalization of traditional systems, practices and ancestral knowledge.** Examples of these date back to pre-Inca times and include, among others, the adoption of the Ayllu (community clans) collective community production models, systems of reciprocity and complementarity among and between communities, and the application of ancestral concepts around energy balance, temperatures, the lunar calendar and the need for crop diversity and agrobiodiversity for farming and irrigation. The community or supra-community production model, led and managed by local traditional authorities, allowed for a more organized and diverse production, established a common pricing model (where families did not compete with each other to sell to intermediaries, thus lowering prices), provided for both auto-consumption needs as well as market demands, and promoted diversity in IPAM participation in the commercialization aspects of the productive chain.

10. **IPAMs in urban areas (predominantly AEs, as well as those IPs and Montubians who migrated from rural areas) face numerous challenges including socio-economic exclusion, lower incomes, high unemployment and underemployment rates and inadequate skills training.** Ecuador's national unemployment rate is higher in urban areas (6.5 percent compared to 5.2 percent nationally) and particularly among IPAMs (10 percent of AEs are unemployed), a result of lower education attainment and discrimination. Furthermore, IPAMs earn less than the White and Mestizo population, as reflected in the variation in average monthly salaries received by AE and Mestizo males (\$379.40 and \$474.60 respectively).²¹ Moreover, a close examination of Guayaquil (a city in which nearly ¼ of the AE population lives) shows that over 95 percent of AEs are racially segregated in ghettos or inadequate dwelling structures and are more exposed to crime and violence. An opportunity exists to strengthen ties between rural and urban IPAMs and to leverage cultural heritage (music, fashion, etc.) to promote alternative livelihoods for these individuals.

11. **Ecuador's ability to sustainably achieve the Bank's twin goals of reducing poverty and enhancing shared prosperity relies substantially on improving income generation opportunities for IPAMs.** To this end, the Ecuadorian government has developed a wide range of initiatives, including the establishment of the National Institute for Popular and Solidarity Economy within the Minister of Economic and Social Inclusion. Despite this, many of the existing interventions with Ecuador's IPAMs continue to rely on exogenous intervention models that fail to define the design of the investment and its delivery in a way that adequately reflects the specific cultural identities²² and development priorities of IPAMs. In this vein, the PRODEPINE model²³ in which the IPAMs serve

²⁰ ENEMDU, 2019.

²¹ The December 2011 Employment Survey.

²² These include the unique ways of living, self-governing, attachment to land and natural resources, traditional knowledge and specific IPAM rights that are protected by various laws and policies (i.e. the country's constitution, ILO 169, UN Declaration for IP Rights, the International Convention to Eliminate All Forms of Racial Discrimination, and the Durban Action Plan).

²³ PRODEPINE, as it is commonly referred to, is the World Bank-financed Indigenous and Afro-Ecuadorian Development Project (P040086) operation, that was satisfactorily implemented between 1998 and 2003, and was structured in a way that allowed for local IPAM communities to plan and implement investments and sub-projects aimed at improving their quality of life.



as partners rather than mere beneficiaries to develop tailored investments, continues to be upheld by IPAMs as the approach most closely aligned with their own vision for development.

Relationship to CPF

- 12. The proposed Project is aligned with the FY19-23 Country Partnership Framework (CPF) for Ecuador²⁴, which seeks to support both the fundamentals for sustainable and inclusive growth and protection of vulnerable groups.** More specifically, the proposed Project investments would further contribute to economic growth, job readiness, and poverty alleviation in IPAM communities, which are among the poorest and most vulnerable in the country. The Project would contribute to *Objective 1: Supporting Fundamentals for Inclusive Growth* of the CPF by strengthening community economies and income generation for IPAMs by building upon cultural identity and traditional systems and knowledge with needed investments, technical assistance/capacity building, and bridging IPAM producers with markets. This project also re-dimensions the concept of inclusion by ensuring that project beneficiaries, through their representative authorities and organizations, serve as partners and co-owners in both the design and implementation of investments, elements critical for systematic transformation and sustainability. Additionally, Project investments to increase access to, and retention in, professional, technical and tertiary education programs is expected to improve economic livelihoods and would also contribute to *Objective 2: Boosting Human Capital and Protecting the Vulnerable* of the CPF. The proposed Project would also contribute to Pillar 1 “Rights for All, Lifelong” of Ecuador’s 2017-2021 National Development Plan²⁵ by addressing high poverty levels and promoting protection of some of the most vulnerable groups in the country.
- 13. The proposed Project would also contribute to achieving the Bank’s twin goals of poverty alleviation and boosting shared prosperity by directly addressing the development constraints and priorities of the poorest segments of Ecuadorian society.** Different from other projects prepared by the GoE for IPAMs, this project is expected to be transformational by ensuring that beneficiary populations, as represented by their traditional authorities and organizations, participate as equal partners in the design and implementation of the Project’s investments. This methodology, which builds off the successful experience of PRODEPINE in Ecuador, and the recently approved Panama Support for the Indigenous Peoples National Development Plan (P157575), has been recognized externally as a shift in paradigm for international development finance, and should significantly increase both co-ownership and sustainability of results.

C. Proposed Development Objective(s)

- 14. The Project Development Objective (PDO) is to increase income generation opportunities for targeted Indigenous Peoples and Nationalities, Afro-Descendants, and Montubians, building on their cultural identity and traditional knowledge and systems, in accordance with their vision and priorities for development.**

Key Results (From PCN)

- 15. Key outcome indicators would be defined, including increases in: (i) income generated by direct beneficiary producer associations and communities; (ii) types of productive areas (diversity) in which IPAM direct beneficiaries**

²⁴ Report number 135374, discussed by the Board of Directors on June 11, 2019.

²⁵ Secretaría Nacional de Planificación y Desarrollo, 2017



participate; (iii) number of community-level producer organizations and associations that are formed and are applying ancestral knowledge and traditional practices for production and commercialization; (iv) number of IPAMs accessing and graduating from higher/professional/technical programs that partner with the project; and (v) investments to support IPAM priorities, as established in their life plans or designated planning instruments.

D. Concept Description

16. The central problem statement the proposed Project tries to address is that IPAM's sustainable income generating opportunities are disproportionately less than that of non-IPAM Ecuadorians. The Project's Theory of Change (see Annex 1) is based on the following constraints: (i) insufficient quantity, quality, and value of production that results from both a lack of productive factors and limited access to finance, (ii) shifts from community production models to family based/individualist models of production with a weakening in the role of traditional leaders to organize and manage production and commercialization, (iii) a loss of the replacement of ancestral/cultural knowledge with less-sustainable agro-industrial production methods; (iv) low participation in value chains and commercialization, with a high reliance on intermediaries who determine pricing, (v) inadequate skills training and knowledge that limit higher education opportunities, (vi) weak capacity to form strategic associations, and (vii) discriminatory practices in the labor market.

17. The proposed Project aims to increase income generation opportunities for targeted IPAMs within pre-selected territories. It is envisioned that World Bank financing for the Project would total \$150m, with investments based on IPAM priorities for development, as expressed in territorial planning and governance strengthening activities. These would likely include activities aimed at: (i) strengthening management capacity of, and increased production by, organizations that use traditional agricultural practices, (ii) increasing value of commercialized products and improving access to markets, including strengthening the urban and rural nexus, (iii) strengthening institutional capacity of targeted communities at the territorial level, (iv) facilitating opportunities to attend and remain in higher/professional/technical education programs by targeted populations, and (v) strengthening higher intercultural education initiatives and universities that support the worldview and ancestral knowledge of IPAMs. The specific investments and services to be offered for each territory would be based on the IPAM's priorities, as reflected in life plans or other participatory planning instruments.

18. Beneficiaries of this project will be IPAMs, as defined in the Constitution of the Republic of Ecuador, in selected territorial areas. During project preparation, selection criteria will be established with IPAM organizations in order to define beneficiary territories. A territorial diagnostic will be carried out to establish a typology of services and investments that will be offered and tailored to the strategic income opportunities and needs of each territorial space. Based on the estimated cost of delivering project investments and services, as well as the identification of existing programs and partners that can be leveraged for delivery, the scope of the Project's interventions and thus number of estimated direct and indirect beneficiaries will be calculated. Ecuador's IPAM population – approximately 3,360,000 people – would have the potential to benefit from increased educational opportunities, improved economic livelihoods, and a greater recognition of, and respect for, their own development vision and priorities.

19. It is anticipated that the Project will intervene nationally, in both urban and rural areas, and finance interventions that will foster income generation opportunities for IPAMs in select territories. The Project would



employ a community driven development (CDD) approach in that beneficiaries will select the types of investments and services to be financed based on a process of identification and prioritization of strategic and feasible income generating opportunities reflected in territorial planning instruments (i.e., life plans, development plans, etc.). The territorial diagnostic study will identify strategic income generating opportunities, critical investments and technical assistance that could be offered by the project and consolidate partnerships with existing programs and institutions to support delivery and sustainability. Beneficiary territories and population groups from within those territories will be selected based on eligibility criteria (such as number of beneficiaries, degree of poverty/marginalization of beneficiaries, potential for success/feasibility, level of sustainability/eco-friendly, beneficiaries with specific characteristics such as women, etc.) developed jointly with IPAM organizations during preparation.

20. Gender. Ecuador has made progress in the development of an adequate legal and institutional framework for gender equality, but social norms and weak mechanisms of enforcement remain a challenge. While political representation by women and indices reflect a comparatively low level of institutional gender inequality²⁶, disparities between men and women still exist in rural areas and predominantly among IPs²⁷. Violence against women is also widespread, especially within the AE and IP populations: 60 percent of all women have experienced some type of gender-based violence²⁸ (GBV), with IPs, AEs and Montubians citing higher incidence levels (67.8 percent, 66.7 percent and 62.9 percent respectively)²⁹, aggravated by discrimination based on ethnic, cultural, economic, social or age status. Persistent and traditional social norms can often fuel and/or mask this pervasive violence: indeed, a quarter of all women surveyed justified domestic violence.³⁰ The proposed Project presents an opportunity to not only increase the skills and agency of women through capacity building, education initiatives and financial support, but also to address and shape community attitudes towards GBV by utilizing the community spaces to host sensitization events and safe spaces for women.

21. Climate Change. The Project would contribute to national climate change objectives by employing climate resilient and green building designs, standards, and construction techniques for infrastructure investments. It would also be achieved through strengthening of territorial governance of relevant aspects of disaster risk management and climate change mitigation and adaptation, to be integrated into the technical assistance and design of targeted training programs. Furthermore, the menu of investments and technical assistance will take into account eco-friendly approaches and will include eligibility criteria that is aligned with climate resilient activities.

22. Citizen Engagement. The project will be designed in a fully participatory manner. The list of potential technical assistance and investment activities will be prepared in close consultation with representative IPAM organizations. Furthermore, the specific activities and investments to be carried out at the local level will be activated based on the priorities established by the communities themselves. The project will also have a permanent engagement with national-level IPAM organizations, which will provide an ongoing platform for consultations, including local facilitators for work at the territorial level. In addition, a group of technical experts from the IPAM organizations will work as part of the Project's core team. These arrangements will facilitate a constant two-way engagement

²⁶ The OECD Social Institutions and Gender Index ranks Ecuador 17 of 108 countries.

²⁷ Sexual and reproductive health indicators, political representation, educational attainment, and quality of jobs are much poorer among IPAM women than among their white counterparts.

²⁸ INEC Encuesta Nacional de Relaciones Familiares y Violencia de Genero contra las Mujeres.

²⁹ IBID.

³⁰ OECD (2019), Gender, Institutions and Development Database, <https://oe.cd/ds/GIDDB2019>.



with beneficiaries and their representative organizations throughout both project preparation and implementation.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	TBD
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

The Project’s Environmental and Social Risk Classification is Substantial under the WB ESF. Based on the available information, Environmental Risk Rating is considered to be Moderate. Environmental Classification is mainly based on the scope and location of infrastructure works under C1 and C2, as well as on the location and activities of the technical assistance component, information to be determined during Project preparation. Main potential environmental risks and impacts of infrastructure interventions are related to small (and potentially medium, in the case of C2) scale civil works, including: (i) overall nuisances to communities due to noise and vibration, dust, waste, and visual disturbances; (ii) risks of third-party and occupational accidents; (iii) inadequate handling and disposal of wastes and potentially hazardous materials; and (iv) potential impacts on chance archaeological findings. Regarding technical assistance activities, the proposed classification considers potential indirect risks stemming from their implementation, which can become impacts if not well identified and mitigated. These expected risks are mainly related to community and occupational health and safety issues due to inadequate handling and disposal of agrochemicals and pesticides, and incidents and accidents due to unsafe use of equipment and technology. Main environmental risks and impacts will be further evaluated/confirmed during due diligence once the menu of potential investments and set of eligibility criteria are available, and environmental classification further assessed.

The Project’s Social Risk Classification is substantial. The Project is expected to have overall positive social impacts from increased economic opportunities and better access to education for Indigenous, Afro-Ecuadorian and Montubio communities. However, based on preliminary screening, the social risks may include: i) the participation of children in family-based productive activities in PIAM communities ii) creating or exacerbating conflicts over land or natural resources with private entities through the promotion of productive activities for PIAM communities; iii) the potential of social conflict with other groups in relation to access to means of production, jobs, access to financial services, etc.; iv) exacerbating gender inequality if women’s specific needs are not taken into account in project design; the v) the contextual risk of gender-based violence and its high prevalence among PIAMs; vi) exclusion of individuals with intersectional vulnerabilities such as people with disabilities within communities; vii) community and worker health and safety risks during construction of infrastructure interventions; viii) minor physical or economic displacement. In addition, there are social risks related to the injection of resources causing conflict and fragmentation in PIAM organizations, as well as a risk of creating expectations in PIAM communities and failing to fulfill them.

A well-structured PIU with qualified staff to manage the social and environmental aspects of the Project in line with the ESF will be set up. The Borrower will develop the necessary environmental instruments to adequately manage potential Project environmental and social risks and impacts, including a Social and Gender Assessment (SA), an Environmental and Social Management Framework (ESMF), a Stakeholder Engagement Plan (SEP), Indigenous Peoples Planning Framework



(IPPF), Resettlement Policy Framework (RPF), and Labor Management Procedures (LMP). The SA and ESMF will assess the environmental and social risks and impacts of the Project’s potential interventions and will set out the principles, guidelines and procedures to assess the environmental and social risks and impacts of each subproject, in compliance with both national requirements and the ESF. The findings of the SA will also determine whether the Project will prepare a Process Framework (PF) to manage potential restrictions of access to natural in legally designated protected areas. The SEP will describe the Project’s stakeholders and establish the strategy for their consultation and information disclosure at each stage of the Project cycle. The IPPF will describe how the Project will carry out meaningful consultation to ensure ownership, participation, and free, prior, and informed consent of indigenous peoples in subprojects carried out in their communities. The RPF will outline the requirements and institutional arrangements for the preparation of Resettlement Action Plans (RAPs) in cases where subprojects may have impacts covered by ESS5. The LMP will describe the Project’s labor needs and how the different types of workers will be managed, including the necessary occupational health and safety measures.

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The World Bank

Territorial Economic Empowerment for the Indigenous, Afro-Ecuadorians and Montubian Peoples and Nationalities (TEEIPAM) (P173283)

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