Early Warning System

WB-P515157

Ecuador: Diesel subsidy reform crediting program

Quick Facts

Countries	Ecuador
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	U
Voting Date	2026-09-30
Borrower	Government of Ecuador
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 30.00 million
Loan Amount (USD)	$ 30.00 million
Project Cost (USD)	$ 30.00 million

Project Description

According to the WB, the proposed Operation will support the preparation of the foundations for and piloting of a carbon transaction in Ecuador as the first of its kind of innovative operations in Latin America. It is designed as the first step towards a carbon market and building capacity to manage carbon transactions, underpinned by sector reforms and World Bank Group's overarching support towards energy sector transformation in Ecuador. The climate and carbon funds to be mobilized from the Transformative Carbon Assets Facility (TCAF) will finance the GoE's ambitious energy transition program, helping advance the reform initiatives. The proposed operation mainly comprises two components: (1) Payments for measured, reported and verified emission reductions (ERs) - Climate Finance (2) Payments for measured, reported, and verified Internationally Transferred Mitigation Outcomes (ITMOs) - Carbon Finance. In addition, the operation includes technical assistance which helps close existing institutional gaps, equip the Government with the necessary knowledge, systems, and procedures to manage carbon market activities effectively. The Project would build on previous and ongoing World Bank projects and activities that support fossil fuel pricing reforms and social protection for the poor and vulnerable households in the reforms, i.e. Innovative Carbon Resource Application For Energy Transition (iCRAFT) - P180432 and Innovative Finance for Resilient and Sustainable Energy Transition (iFIRST) - P512264.

Investment Description

- World Bank (WB)

Contact Information

ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: https://www.worldbank.org/en/access-to-information/request-submission

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: https://www.inspectionpanel.org/how-to-file-complaint

Bank Documents

- Concept Environmental and Social Review Summary (ESRS) - Ecuador: Diesel subsidy reform crediting pr
- Concept Project Information Document (PID)

Other Related Projects

- WB-P180432 Innovative Carbon Resource Application For Energy Transition
- WB-P512264 Innovative Finance for Resilient and Sustainable Energy Transition