

October 21, 2024

IPN REQUEST 24/06

**Inspection Panel Notice of Registration
on a
Request for Inspection**

Ecuador: Strengthening the National Statistical System in Ecuador Project (P178564)

Summary

1. On September 11, 2024, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) concerning the Strengthening the National Statistical System in Ecuador Project (P178564) (the “Project”). The Request was submitted by seven leaders of six local organizations (the “Requesters”): the Federation of Indigenous and Peasant Organizations of Azuay, the Water Board of Victoria del Portete and Tarqui, the Association of Afro-Descendants Cimarrón, the Black People’s Social Organization, the Transgender Project – Different Bodies Equal Rights, and the organization La Colectiva. Ec. The leaders affirmed they are submitting this Request on behalf of their respective organizations as well as the community members and individuals these organizations represent. The six organizations authorized the Bank Information Center (BIC), a US-based, non-governmental organization, to advise them during the Panel process. The Requesters did not ask for confidentiality.
2. The Request claims the World Bank¹-financed Project has supported the implementation of the 2022 Population and Housing Census implemented by Ecuador’s National Institute of Statistics and Censuses (*Instituto Nacional de Estadística y Censos* – INEC), has underreported minority group populations – such as Indigenous Peoples, *Montubios*,² Afro-Ecuadorians, and members of LGBTI+ communities – and consequently may exclude them from public services and social benefits. The Request alleges that due to poor design and implementation, the census failed to allow Indigenous Peoples, *Montubios*, and Afro-Ecuadorians, as well as members of LGBTI+ communities to self-identify and be properly counted. Census-related issues raised in the Request include inadequate design of census questions, poorly trained enumerators, inappropriate questioning methods, and poor communication, engagement, and coordination with the affected minority groups and their regional and sub-regional leaders and organizations.
3. The Request claims these issues have contributed to the underreporting of the affected minority groups and that this adversely affects their collective rights – especially to consultation and consent. The Request further alleges individual and collective harm, such as the exclusion of the

¹ For the purposes of this Notice, the International Bank for Reconstruction and Development (IBRD) is sometimes referred to as the “World Bank” or the “Bank.”

² According to the Project, *Montubios* are “an ethnic minority of rural Mestizos known for their ranching and farming activities, rodeos, rites, music, and distinctive attire.” See World Bank, 2022. [Project Appraisal Document \(PAD\) to the Republic of Ecuador for a Strengthening the National Statistical System in Ecuador Project \(P178564\)](#), p. 17. According to the National Council of the *Montubio* Nation of Ecuador of the Ecuadorian Coast and Subtropical Areas of the Coastal Region (*Consejo Nacional de Pueblos Montubios del Ecuador* – CODEPMOC), *Montubios* are primarily small-scale farmers who live along the coastal and subtropical zones of Ecuador. Claiming their own cultural identity, they number around 70,000 people and comprise 1,485 self-defined communities. See [Consejo Nacional de Pueblos Montubios del Ecuador \(CODEPMOC\) | LATINNO](#).

affected minority groups from benefits linked to census data (e.g., access to community water rights), from public policies, affirmative actions, political presentation, and access to targeted social programs.

4. On September 27, 2024, the Panel issued a “Notice of Receipt” of the Request on its website, and so informed the Requesters, Bank Management (“Management”), and the Accountability Mechanism Secretary. The Panel conducted its initial due diligence of the Request and determined that it meets the admissibility criteria. Therefore, by way of this Notice of Registration, I hereby inform you that on October 21, 2024, I have registered this Request.

The Project

5. The Project was approved on June 30, 2022. The total project cost is USD 86.79 million. USD 80 million is financed through the International Bank for Reconstruction and Development and the remaining USD 6.79 million is financed by the Republic of Ecuador. The Project’s closing date is July 28, 2027,³ and it was 54 percent disbursed at the time of the receipt of the Request. The Borrower is the Republic of Ecuador, and the Implementing Agency is INEC.⁴

6. The Project Development Objective is to improve Ecuador’s national statistical capacity to produce and disseminate timely, high-quality, economic and sociodemographic statistics for evidence-based policymaking.⁵ During the appraisal stage, the 2022 Environmental and Social Review Summary (ESRS) described expected Project benefits as follows: *“Updated information on the population distribution and living conditions is critical for designing, implementing, monitoring, and evaluating public policies. Updated Census data will help the Government of Ecuador support policies to fight chronic malnutrition and gender violence, create new jobs, strengthen the social protection system, and improve the living conditions of minorities and indigenous populations. It will also help national and regional governments improve service delivery in rapid urbanization contexts by quickly identifying access gaps in infrastructures, such as water, sanitation, and transport.”*⁶

7. The Project comprises four components. Component 1 on “Enhancing Demographic Information” will support the implementation of a new Housing and Population Census, collecting data through a multimodal approach – tablets, telephone, web, and paper – and linking personal identification information to other data sources, including administrative records. Component 2 on “Strengthening the statistical production from surveys” focuses on enhancing data collection and dissemination from key surveys to fill data gaps and improve the design of social programs and policies. Component 3 is a “Project on Strengthening Statistical Production” and aims to improve the accessibility and dissemination of data from administrative records while enhancing INEC’s management capabilities. Component 4 includes “Project Management, Monitoring, and Evaluation.”⁷ The Project also has a communication strategy that cuts across these components.

8. At approval, the Project’s Environmental and Social Risk Classification was considered moderate, and the applied Environmental and Social Standards included: ESS1 – Assessment and Management of Environmental and Social Risks and Impacts; ESS 2 – Labor and Working

³ PAD, p. 1.

⁴ PAD, p. 2.

⁵ PAD, p. 13, para 14.

⁶ World Bank, 2022. [Appraisal Environmental and Social Review Summary Appraisal Stage \(“ESRS”\)](#), p. 3.

⁷ PAD, pp. 16-30.

Conditions; ESS 3 – Resource Efficiency and Pollution Prevention and Management; ESS 4 – Community Health and Safety; ESS 7 – Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities, and ESS 10 – Stakeholder Engagement and Information Disclosure.⁸

The Request

9. The Request alleges harm resulting from the census supported by Project Component 1 and its communication strategy. It claims that the Project is causing both individual and collective harm, which it claims include, but are not limited to, the following four core issues.

10. First, the Request claims that underreporting of Indigenous Peoples and Afro-Ecuadorians affects their collective rights, especially their collective right to consultation and consent. According to the Request, minority groups are being excluded from benefits associated with the census data. These include access to community water rights, labor quotas, bilingual and intercultural education systems, social benefits, Indigenous Peoples’ justice systems, the right to Free, Prior, and Informed Consent, and affirmative action policies.

11. Specifically, the Request alleges that although the Project’s ESRS describes how the Project poses “*risks associated with the cultural sensitivity of the population, especially in Indigenous communities, during field visits and communication campaigns,*”⁹ it fails to assess adequately the potential harm that could arise if Indigenous Peoples, *Montubios*, and Afro-Ecuadorians are either excluded or misrepresented in the final census. The Request claims the ESRS lacked adequate mitigation measures to address these concerns. According to the Request, the consequences for these groups are severe in terms of their political underrepresentation and access to benefits. As an example, the Request alleges that budgets for the Secretariat of Indigenous Peoples, *Montubios*, and Afro-Ecuadorians, as well as for entities responsible for bilingual education have already been cut due to the underreporting of relevant population sizes by the census. The Request also claims adverse effects on affirmative action spaces, and quotas in public office, higher and basic education, academic scholarships, and access to employment in law enforcement.

12. Second, the Request alleges the inadequate design of census questions in relation to Indigenous Peoples and Afro-Ecuadorians has led to biased census results and has also posed risks to environmental defenders and people hiding their ethnic identities due to concerns for their safety. According to the Request, the census approach to the self-identification of Indigenous Peoples, *Montubios*, and Afro-Ecuadorians was inconsistent and arbitrary as enumerators often omitted questions or incorrectly assigned individuals’ ethnicity. It claims this was due to the inadequate training of enumerators, communication failures, resource shortages, concerns over security, and poor coordination by INEC. The Request alleges that in many cases the enumerators incorrectly marked Indigenous Peoples, *Montubios*, and Afro-Ecuadorians as “mestizos” or “white,” thereby distorting their collective identity.

13. Third, the Request alleges the lack of consultation and engagement with LGBTI+ organizations and groups led to the underreporting of this population, to the detriment of excluding this population from public policies, affirmative actions, political representation, and access to targeted social programs. The Request claims the biased results stem from inappropriately trained

⁸ PAD, p. 4.

⁹ ESRS, p. 5.

enumerators, indiscreet questioning of individuals in front of their families, and data mixing methods in the process of information gathering. The Request also alleges that INEC has not reported the non-response rate to questions concerning the LGBTI+ population and that this challenges the veracity of the census results for them.

14. Fourth, according to the Request, although the INEC developed a Stakeholder Participation Plan (*Plan de Participación de Partes Interesadas – PPPI*), it was not implemented, and relevant stakeholders were not consulted. The Request claims the PPPI identified “*potential obstacles to the participation of Indigenous Peoples and the conditions for their full inclusion in the census.*” The Request suggests the failure to reach out to all Indigenous Peoples indicates that adequate measures were not taken to ensure their full participation.

15. The Request alleges that the PPPI mandated INEC to promote the census through the media, but failed to engage Indigenous Peoples, *Montubios*, and Afro-Ecuadorians effectively. It claims there was no timely communication strategy, leaving many communities unaware of the importance of the census, thereby contributing to underreporting. The Request claims many Indigenous individuals were not interviewed and received forms at home or had to complete them online, which often created accessibility issues. According to the Request, poor awareness of the purpose and process of the census resulted in numerous households failing to submit the forms, further misreporting these populations.

Initial Due Diligence

16. After receiving the Request, the Panel conducted its initial due diligence and verified that the Request meets the admissibility criteria for registration. The Request is not frivolous, absurd, or anonymous, and was signed by seven leaders of six organizations based in Ecuador on behalf of their respective organizations as well as community members and individuals these organizations represent. The Panel also received earlier correspondence between the Requesters and the Bank concerning these issues. The Panel is therefore satisfied that the issues have been brought to the attention of the Bank prior to submission of this Request for Inspection. The Requesters provided the Panel with a letter addressed to the Bank’s Grievance Redress Service (GRS) in February 2024, which outlines the issues raised in the Request. In addition, the Panel also verified that the subject matter of the Request does not concern issues of procurement, and that at the time of receipt of the Request, the Project was 54 percent disbursed, with a closing date of July 28, 2027.

17. On September 20, 2024, the Panel met with the Requesters to gain a better understanding of their concerns, seek clarifications, and inform them about the Panel’s process and mandate. The Requesters highlighted issues with the census’ coverage and quality relevant to the alleged negative effects on the affected minority communities. The Requesters stressed that the census results are already affecting political representation in the National Assembly, as these results determine how political representatives are allocated among various ethnic and social groups. Additionally, they emphasized that the alleged underreporting of the affected minority groups in the census influences the allocation of the 2025 budget, the development of national and regional public policies, and shapes the “*social imaginary*” affecting how these communities are perceived.

18. As part of its initial due diligence process, the Panel met with Management on October 11, 2024. Management provided an overview of the Project and status of implementation, as well as its views on the issues raised in the Request. Management stated that the Bank’s support for the census

followed the applicable Bank policies as well as international good practices for undertaking such a census. Management added that the United Nations Population Fund (UNFPA) conducted an independent evaluation of the census. Therefore, in Management’s view there is no reason to consider the results of the census are flawed or biased, nor does it believe that any direct harm can result from the Project’s support to the census.

19. Having considered all the facts before it, the Panel considers this Request admissible. The Panel will need to determine the eligibility or otherwise of the alleged potential harm which could be plausibly linked to the Project and could potentially constitute violations of the Bank’s Environmental and Social Standards.

Registration of the Request

20. As provided in paragraph 18 of the Panel’s Resolution (the “Resolution”), “[t]he Chairperson of the Panel shall inform the Executive Directors and the President of the Bank promptly upon receiving a request for inspection.”¹⁰ With this notice I hereby inform you that I have, on October 21, 2024, registered the above-mentioned Request.

21. The Panel’s registration implies no judgment whatsoever concerning the merits of a Request for Inspection. As provided in paragraph 19 of the Resolution,¹¹ Bank Management must provide the Panel within 21 business days (by November 19, 2024) a response to the issues raised in the Request for Inspection. The subject matter with which Management must deal in its response to the Request is set out in paragraph 20 of the Resolution.

22. After receiving the Management Response, the Panel will “*determine whether the request meets the eligibility criteria set out in paragraphs 13 to 15 [...] and shall make a recommendation to the Executive Directors as to whether the matter should be investigated.*”¹² This Request has been assigned IPN Request Number 24/06.

Yours sincerely,



Mark Goldsmith
Chairperson

Attachments

The Executive Directors and Alternates, International Bank for Reconstruction and Development

Mr. Ajay Banga, President, International Bank for Reconstruction and Development

Requesters

¹⁰ World Bank Inspection Panel, [Resolution No. IBRD 2020-0004](#) (the “Resolution”), September 8, 2020, para. 18.

¹¹ The Resolution, para. 19.

¹² The Resolution, para. 22.