

**LOAN NUMBER 9421-EC**

# **Loan Agreement**


*(Strengthening the National Statistical System in Ecuador Project)*

**between**

**REPUBLIC OF ECUADOR**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

	
REPUBLICA DEL ECUADOR	
MINISTERIO DE ECONOMIA Y FINANZAS	
Subsecretaria de Financiamiento Público	
REGISTRO No.	712
FECHA	31/10/2022
PAGINA No.	34
Registro de la Deuda Pública	

## **Loan Agreement**

AGREEMENT dated as of the Signature Date between Republic of Ecuador (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”), for the purpose of assisting in financing the project described in Schedule 1 to this Agreement (“Project”). The Borrower and the Bank hereby agree as follows:

### **ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

### **ARTICLE II — LOAN**

- 2.01. The Bank agrees to lend to the Borrower the amount of eighty million United States Dollars (\$80,000,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the Project.
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement. The Borrower’s Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is its Vice-Minister of Finance or its Undersecretary of Public Finance.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread<sup>1</sup> or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Borrower elects to apply the Automatic Rate Fixing Conversion to the Loan. Accordingly, without limitation upon the provisions of Article IV of the General Conditions and unless otherwise notified by the Borrower to the Bank in accordance with the provisions of the Conversion Guidelines, the interest rate basis applicable to the aggregate principal amount of the Loan withdrawn during two consecutive Interest Periods shall be converted from the initial Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread for the full maturity of such amount in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
- 2.07. The Payment Dates are January 1 and July 1 in each year.

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<sup>1</sup> Only Variable Spread is available due to FSL suspension effective April 1, 2021.

- 2.08. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

### **ARTICLE III — PROJECT**

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end the Borrower shall carry out the Project through INEC in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

### **ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Additional Conditions of Effectiveness consist of the following:
- (a) the Operational Manual has been finalized and, thereafter, adopted by INEC, in a manner acceptable to the Bank;
  - (b) the Labor Management Procedures have been prepared, consulted upon, disclosed and adopted by INEC all in form and substance satisfactory to the Bank;
  - (c) the PMU has been established in accordance with Section I.A.2 of Schedule 2 to this Agreement; and
  - (d) the MIDENA Inter-Institutional Agreement has been entered into between INEC and MIDENA under terms and conditions acceptable to the Bank, which shall include, *inter alia*, the Borrower's and MIDENA's responsibilities under Part 1 of the Project, Sections I.B.4, I.C, and I.D.6 of Schedule 2 to this Agreement, and the ESCP.
- 4.02. The Effectiveness Deadline is 90 days after the Signature Date.

### **ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. Except as provided in Section 2.02 of this Agreement and in the ESCP, the Borrower's Representative is the Borrower's Minister of Economy and Finance.
- 5.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower's address is:
- Ministry of Economy and Finance  
Av. Amazonas y Percira, Plataforma Financiera  
Quito, Ecuador; and
- (b) the Borrower's Electronic Address is:
- E-mail: [documentosmef@finanzas.gob.ec](mailto:documentosmef@finanzas.gob.ec)
- 5.03. For purposes of Section 10.01 of the General Conditions: (a) the Bank's address is:

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America; and

(b) the Bank's Electronic Address is:

Facsimile:

1-202-477-6391

AGREED as of the Signature Date.

**Republic of Ecuador**

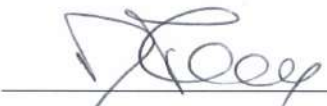
By: 

Name: Jose E. Manóvilha

Title: Subsecretario Finanzas Públicas (E)

Date: 26 October 2022

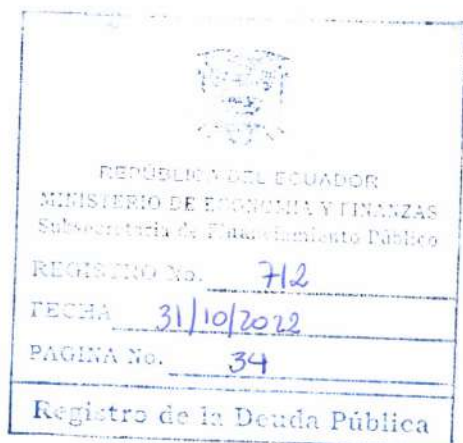
**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND  
DEVELOPMENT**

By: 

Name: Marianne Fay

Title: Country Director

Date: 26 October 2022



## SCHEDULE 1

### Project Description

The Proposed Project Development Objective is to improve the national statistical capacity of Ecuador in the production and dissemination of timely and high-quality economic and sociodemographic statistics for evidence-based policymaking.

The Project consists of the following parts:

#### **Part 1: Enhancing demographic information with the new Housing and Population Census**

Support all phases of the implementation of the life cycle of the Housing and Population Census, including the following:

- 1.1. **Completion of preparatory activities and cartography.** Support for the following phases of the implementation of the Housing and Population Census: (a) preparation phase (methodology, budget, Interagency Agreements, finalizing the programming and testing of the CAPI/CAWI/CATI questionnaire, pilot of the *de jure* modality census, and personnel); and (b) cartography phase (GIS preparation, maps, and quality control); including, *inter alia*, through the purchase of information technology equipment such as Tablets, computers, printers, and office supplies, hiring specialized consultants (*e.g.*, survey solutions, programming, post-census survey), hiring enumerators, conducting Training for enumerators, purchasing transportation tickets for enumerators and supervisors, per diem and lodging for enumerators, supervisors, and fieldwork personnel.
- 1.2. **Data collection and data curation.** Support for (a) collection of data through a multimodal approach (computer-assisted personal interviewing, computer-assisted web interviewing, computer-assisted telephone interviewing) for six weeks using Tablets, telephones and the web, and (b) implementation of data processing and curation activities, including, *inter alia*, through the purchase of Tablets, hiring enumerators, Training, and providing transportation, clothing, per-diem and lodging.
- 1.3. **Innovations in the Housing and Population Census.** Support for innovations in the Housing and Population Census, including, *inter alia*, (a) the realization of a *de jure* census, (b) updating the cartography using recent technologies such as satellite imagery to update dynamic zones and the generation of cartography with georeferencing for census enumerators, (c) a self-reported census, (d) the documentation of microdata through DDI and NADA, (e) the implementation of a quality framework to evaluate the census's coverage and accuracy based on international standards, and (f) an evaluation of Ecuador's vital statistics.
- 1.4. **Quality in the Housing and Population Census.** Support for the implementation of a post-census survey to evaluate the quality of the survey results, including by identifying the omission rate, through, *inter alia*, hiring enumerators, conducting Training, and providing transportation, per diem and lodging.

## **Part 2: Strengthening the statistical production from surveys**

### **Implementing the National Income and Expenditure Survey and updating the poverty lines**

- 2.1.1 **Implementing the National Income and Expenditure Survey.** Support for all stages of the implementation of the National Household Income and Expenditure Survey (including, *inter alia*, planning, socialization workshops, questionnaire design, Training, field operations, data processing, supervision, control, monitoring, follow-up processes, delivery and publication of results, and preparation of the final report) through, *inter alia*, hiring experts to support the questionnaire and sampling design, hiring enumerators, conducting Training, and providing transportation, per diem and lodging.
- 2.1.2 **Updating the monetary poverty lines.** Support for the updating of the monetary poverty lines through, *inter alia*: (a) a methodological component, consisting of a literature review of poverty line methodologies, and an evaluation of INEC's current methodology and development of a proposal for updating it; (b) a technical and implementation component, consisting of the development of the new consumption aggregate, a review and potential update of energy requirements, the identification of the reference population, an assessment of the food basket (*i.e.*, extreme poverty line), and estimations of the Engel coefficient and of the moderate poverty line; and (c) Training events for INEC's technical team, closed discussion events on progress, and the final dissemination of results.
- 2.2. **Changing the base year of price indexes and updating Basic Family Baskets.** Support for:
- (a) on the consumption side, (i) changing the base year of the basket of goods and services of the national consumer price index (*Índice de Precios al Consumidor*) (CPI), (ii) updating the price indexes of the national basic family basket (*Canasta Familiar Básica*) (CFB), and (iii) altering the reference period of prices and weightings of the Galapagos Spatial Consumer Price Index (*Índice de Precios al Consumidor Espacial de Galápagos*) (IPCEG); including, *inter alia*, through hiring consultants specialized in these topics, and conducting pilot and consumer price surveys through hiring enumerators and providing uniforms, transportation, per diem and Training for enumerators and INEC's technical teams.
  - (b) on the production side, (i) changing the base year and updating the producer baskets for the producer price index (*Índice de Precios al Productor de Disponibilidad Nacional*) (IPP-DN), including the final demand producer price index (IPPCI) and the final demand producer price index (IPPCF) which are subsets thereof, and (ii) the construction and regular updates of the export price index (IPEX); including, *inter alia*, through purchasing IT equipment such as computers and printers, hiring specialized consultants (e.g., in IT equipment and building IPEX), building and piloting a producer price registry, conducting a producer price survey through hiring enumerators and providing uniforms, transportation, per diem and Training of enumerators and INEC's technical teams.
- 2.3. **Implementing the New Labor Force Survey.** Support for the development and implementation of the new ENCIET, including, *inter alia*, through (a) a pilot test of the recommendations of the 20<sup>th</sup> International Conference of Labor Statisticians, and (b)

designing and implementing the first year ENCIET round; including, *inter alia*, through hiring specialized consultants for sampling and questionnaire design, enumerators, conducting Training, and providing transportation, per diem and lodging.

- 2.4. **Incorporating the rotating modules of the Agricultural Survey.** Support for the implementation of the following three rotating modules of the Agricultural Integrated Surveys program into the Land and Agricultural Production Continuous Survey: (a) production methods and environment (PME); (b) economy; and (c) machinery, equipment, assets, and decision-making (MEAD); including, *inter alia*, through hiring enumerators, conducting Training, providing transportation, per diem and vehicle maintenance.

### **Part 3: Strengthening the statistical production from Administrative Records and INEC managerial capacity**

- 3.1. **Strengthen the architecture and infrastructure for capturing, processing, storage, and visualization.**

- 3.1.1 **Assessment and infrastructure design.** Support for a baseline evaluation of INEC's data governance to identify needs related to data processing, management and security of data, including through the generation of the following products by consultancies or technical assistance: (a) an assessment and hardware growth plan for processing and services, including adjustments, acquisitions, and improvements of servers, data security equipment, storage, backups, and peripheral equipment; (b) a software growth plan for data processing and services, including subscriptions, licenses, and tools necessary to comply with virtual space implementations and minimum operating requirements for data use; and (c) operations architecture for (i) collecting new sources of RRAA, (ii) data processing (in the cloud or within INEC), (iii) developing and testing environments, (iv) storing the data, plus backup schemes and availability, (v) creating ecosystem to build data warehouses, (vi) developing the data viewer, and (vii) building the virtualization environment for data laboratories.

- 3.1.2 **Implementation of the architecture.** Implementation of investments to address the needs identified in Part 3.1.1 of the Project, including, *inter alia*, finalization of the information and computer security schemes, implementation of backup and information access schemes to guarantee data availability, and the purchase of four servers for use in data development, tests, and production and other information technology equipment.

- 3.2. **Create primary and complementary records – Data warehouse.**

- 3.2.1 **Identification of new sources of Administrative Records.** Support for the identification of new sources of RRAA for INEC's data warehouse for processing into RREE, including, *inter alia*, through Training of INEC's team and relevant line ministries, and technical support from database specialists to develop the data warehouse, production of maps, and hiring of international consultants (*e.g.*, geographers, geospecialists) to develop risk maps.

- 3.2.2 **Processing of RRAA to RREE.** Support for the processing of RRAA into RREE, including (a) definition of the processing guidelines for, and profiling, correction, and

standardization of, such RRAA, (b) construction of historical records by defining the methodology for respective updating and socializing procedures and implement their structure (e.g., verification of the transformation periodicity, determination of the cut-off period, and identification of theme to which it contributes), (c) evaluation of the quality of data by generating a quality evaluation report and a processing report, (d) continuous improvement of the RRAA processes and statistical information by a methodological update for the construction of base registries in line with the findings of a quality report, implementation of improvements, and presentation and visualization of information from the base registries for statistical production, and (e) critique and comparison of statistical operations vs. RRAA based on publication of the database for its processing, actual comparison between traditional statistical operations and RRAA information, the characterization of base registries with statistical operations, and generation of a quality report to strengthen the base registries, through, *inter alia*, hiring consultants qualified to operate and manage the foregoing, acquisition of a Cloudera license and other software licenses, technical assistance from international organizations and national statistics offices of other countries that have successful and replicable experiences in big data processing, and Training in the use of the relevant software, programming, and in RRAA design and management for INEC's technical team.

**3.2.3 Implementation of thematic data warehouse.** Support for the implementation of a thematic data warehouse consisting of a repository of information generated from surveys, censuses, and RRAA, creation of communication and coexistence mechanisms permitting internal and external users to cross-reference inter-thematic and intergenerational information for specialized analysis, through, *inter alia*, the hiring of consultants with data warehouse management knowledge, the purchase of software licenses and hardware, and specialized Training in software for data management, programming, etc. for INEC's technical team.

**3.2.4 Security Access and Use of Information.** Support for the enhancement of security and confidentiality in data management through, *inter alia*, (a) tools in static and dynamic analysis of technological applications and services, depersonalization of the information in the databases, monitoring of alerts and analysis of events relating to computer security, and automation processes, and (b) tools for the anonymization of data to mitigate risks posed by collection and processing of personal data, (c) specialized tools for reviewing application codes and monitoring access to, among others, application servers, files, databases, networks, workstations, switches, routers, and firewalls, and for assessing the vulnerabilities of published web applications in the production environment, (d) a management-viewer system that monitors the network and applications, the activities of internal users, and the behavior of computer resources, and provides alerts to take preventive and corrective actions, and (e) the hiring of consultants with expertise in data security knowledge.

**3.3. Construct an inter-thematic viewer – Data Ecuador.** Support for the development of INEC's inter-thematic viewer or "visualizer" consisting of a data visualization engine and a virtual laboratory to allow collected and processed data to be available and displayed to users in a user-friendly, safe and timely manner through the following activities:



- 3.3.1 **Definition of platform, users, and roles.** Establishing the target public to have access to the various data, the interface correspondence matrix, and the credentials and access validity in the case of non-public data; defining the technical and methodological documents that describe the useful data life; and the mapping of, *inter alia*, actors, information users, data access and use policies;
- 3.3.2 **Production of the visualizer interface.** Support for the design of a public viewer for access to information, a viewer with roles and user credentials for access to specialized audiences, and a working viewer (information cube) with access to the data warehouse ecosystem for INEC officials, through, *inter alia*, the hiring of technical consultancies to design the viewers, including, *inter alia*, a user experience specialist, senior Power BI experts, and support staff for the general public; and
- 3.4. **Make a virtual information laboratory for the INEC.** Support for the development of a virtualized laboratory to implement an environment of specialized users who have remote and secure access to statistical information, including, *inter alia*, by (a) strengthening INEC's central information processing laboratory by purchasing a physical server, (b) contracting a cloud service with storage and processing characteristics to meet the demand of national and international users, and (c) purchasing other specialized hardware and software.
- 3.5. **Strengthening the INEC's managerial capacity.** Strengthening of INEC's managerial capacity through, *inter alia*, (a) reinforcing INEC's methodological, technical and research units to lead INEC's executive management team in its technological modernization, (b) the carrying out of an assessment of the statistical legal framework and production of a technical note with recommendations for updating it, (c) Training to reinforce INEC staff capacity to produce basic statistics (censuses, surveys, and RRAA), and (d) specialized consultations with national and international experts, workshops, and expert consultants.

#### **Part 4: Project management, monitoring, and evaluation**

Establishment and maintenance of the PMU in accordance with Section I.A.2 of Schedule 2 to this Agreement, and provision of technical advisory services, Training, Operating Costs, and acquisition of goods to strengthen the institutional and organizational capacity of INEC and the PMU as required for the successful implementation of Project-supported activities, including, *inter alia*, with respect to compliance with technical, procurement, environmental and social, financial management, and monitoring and evaluation requirements, establishment of coordination and oversight bodies, institution of an annual cycle of planning, implementation and reporting with a set of annual plans and quarterly financial and progress reports, and annual external audits.

## SCHEDULE 2

### Project Execution

#### Section I. Project Implementation

##### A. Institutional and Implementation Arrangements

1. **Operational Manual.** The Borrower, through INEC, shall ensure that the Project is carried out in accordance with this Agreement and the Operational Manual. The Borrower, through INEC, shall not amend, suspend, abrogate, repeal or waive any provision of the Operational Manual without the prior written approval by the Bank. In case of conflict between the terms of the Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.
2. **Project Management Unit.** The Borrower, through INEC, shall:
  - (a) maintain at all times during implementation of the Project a project management unit within INEC (the "PMU") with functions, responsibilities and resources, and staffed with personnel in number and with qualifications, experience and functions acceptable to the Bank, including, *inter alia* (i) a Project coordinator, (ii) a technical specialist, (iii) a financial management specialist, (iv) an environmental and social specialist, (v) a procurement specialist, (vi) a monitoring and evaluation specialist, (vii) at INEC's headquarters, three Project analysts, and (viii) at each of INEC's south, central and littoral regional offices, one administrative analyst and one financial management analyst, all as further detailed in the Operational Manual; and
  - (b) without limiting the generality of paragraph (a) above, ensure that the environmental and social specialist financial management officer and financial analysts are hired no later than thirty (30) days after the Effective Date.

##### B. Other Institutional and Implementation Arrangements

1. **Inter-Institutional Agreements.** To facilitate the carrying out of Part 1 of the Project, the Borrower, through INEC, shall enter into, and thereafter maintain in full force and effect during the implementation of the Project, (a) in connection with Part 1 of the Project, by the Effective Date, an inter-institutional agreement (consisting of a specific agreement) with MIDENA under terms and conditions acceptable to the Bank, which shall include, *inter alia*, the Borrower's and MIDENA's responsibilities under Part 1 of the Project, Sections I.B.4, I.C, and I.D.6 of this Schedule 2, and the ESCP (the "MIDENA Inter-Institutional Agreement"), (b) in connection with Part 1 of the Project, by the deadlines and otherwise in accordance with the applicable provisions of the Operational Manual, administrative acts with each of the Ministry of Education, MINTEL, and the Ministry of Labor, including, *inter alia*, the terms and conditions of arrangements for the sharing of information between each such Ministry and INEC (the "Administrative Acts"), and (c) by the deadlines, with the entities, and otherwise in accordance with the applicable requirements specified in the Operational Manual,

information transfer agreements, each to be approved by DINARDAP, as needed for the implementation of Part 3 of the Project (“Information Transfer Agreements” and, together with the MIDENA Inter-Institutional Agreement and the Administrative Acts, the “Interagency Agreements”).

2. The Borrower, through INEC, shall exercise its rights under the Interagency Agreements in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive any Interagency Agreement or any of its provisions.
3. **Project Steering Committee.**
  - (a) The Borrower, through INEC, shall maintain or cause to be maintained, throughout Project implementation, a project steering committee with an adequate institutional framework, composition, functions, and resources, including competent personnel in adequate numbers as applicable, satisfactory to the association as shall be required for purposes of Project implementation.
  - (b) Without limiting the provisions of paragraph I.B.4(a) of this Schedule 2, the Project Steering Committee shall be chaired by INEC’s Executive Director or his/her delegate and shall be comprised of, *inter alia*, (i) INEC’s General Technical Coordinators, General Financial Administrative Coordinator, Financial Director, Director of Information Technology, and the Technical Directors involved in this project (Directorate of Sociodemographic Statistics, Directorate of Administrative Records, Directorate of Agricultural and Environmental Statistics), (ii) representative(s) of the Ministry of Economy and Finance who will participate as a permanent guest, and (iii) as relevant for the topics of the meetings to be discussed, representatives of other public institutions, international organizations or thematic experts, and (iv) the Project Steering Committee’s secretary, which will be appointed by INEC’s Executive Director.
  - (c) The Project Steering Committee shall meet at least once every calendar quarter and shall be responsible for providing guidance and direction during Project implementation. The PMU will report each calendar quarter on the progress of the Project to the Project Steering Committee.
4. The Borrower through INEC shall ensure that the collection, processing and storage (including transfers to third parties) of any Personal Data collected under the Project shall be done in accordance with applicable Ecuadorian law, including but not limited to the Organic Law on Protection of Personal Data (*Ley Orgánica de Protección de Datos Personales*), as published in the Official Register, Fifth Supplement, on May 26, 2021.

**C. Use of Armed Forces**

1. Without limiting the provisions of Section D of this Schedule, the Borrower shall:

- (a) ensure that all activities carried out by armed forces under the Project are under the control of the Borrower through INEC, are undertaken exclusively for the purposes related to the Project, and are carried out in accordance with this Agreement, the ESCP, and the MIDENA Inter-Institutional Agreement;
  - (b) ensure that the Loan proceeds are not utilized for the purchase of arms, weapons, ammunition, or other lethal equipment, or to train any personnel in the use of arms, weapons, ammunition, or lethal equipment; and
  - (c) ensure that all goods and services financed by the Loan proceeds that may be used by armed forces are used under the direction and control of INEC and strictly in accordance with this Agreement, the MIDENA Inter-Institutional Agreement, the Operational Manual, and any other arrangements or protocols that the Bank may require for carrying out these activities.
2. Except as the Bank may otherwise agree, the Borrower shall ensure that the ownership of any assets generated, goods procured, and works constructed by the military or security unit referred to in paragraph 1 of this Section out of the Loan proceeds shall be transferred to, or shall vest with, INEC or any equivalent or appropriate line ministry or agency agreed with the Bank.

**D. Environmental and Social Standards**

1. **Environmental and Social Standards.** The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. **Environmental and Social Commitment Plan.** Without limitation upon paragraph 1 above, the Borrower shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Bank. To this end, the Borrower shall ensure that:
  - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.

3. **Inconsistencies with the ESCP.** In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. **Monitoring and Reporting.** The Borrower shall ensure that:
  - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
5. **Grievance mechanism.** The Borrower shall establish, publicize and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.
6. In case armed forces of the Borrower are used in the implementation of activities under Part 1 of the Project and/or for provision of security to Project workers, sites and/or assets, the Borrower shall ensure that such armed forces are deployed in accordance with the relevant requirements of ESSs and the ESCP.

**Section II. Project Monitoring Reporting and Evaluation**

The Borrower shall furnish to the Bank each Project Report not later than forty-five (45) days after the end of each project report period, covering the calendar semester. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Bank, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Borrower, through INEC, shall ensure that such information, report or document does not include Personal Data.

**Section III. Withdrawal of Loan Proceeds**

**A. General.**

1. Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may

withdraw the proceeds of the Loan to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Loan Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be financed (Inclusive of Taxes)</b>
(1) Goods, non-consulting services, consulting services, Operating Costs, and Training under Part 1 of the Project	56,484,943	100%
(2) Goods, non-consulting services, consulting services, Operating Costs, and Training under Part 2 of the Project	17,711,612	100%
(3) Goods, non-consulting services, consulting services, and Operating Costs, and Training under Part 3 of the Project	4,219,345	100%
(4) Goods, non-consulting services, consulting services, and Operating Costs, and Training under Part 4 of the Project	1,584,100	100%
<b>TOTAL AMOUNT</b>	<b>80,000,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed sixteen million Dollars (\$16,000,000) may be made for payments made prior to this date but on or after January 1, 2022 (but in no case more than one year prior to the Signature Date), for Eligible Expenditures under Category 1, provided that an environmental and social evaluation has been carried out with respect to such Eligible

Expenditures in accordance with the ESCP and in form and substance satisfactory to the Bank.

2. The Closing Date is July 28, 2027.

### SCHEDULE 3

#### Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

#### Level Principal Repayments

Principal Payment Date	Installment Share
On each January 1 and July 1 Beginning July 1, 2027 through July 1, 2039	4%



## APPENDIX

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
2. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
3. “CONEC” means *Consejo Nacional de Estadística y Censos*, the Borrower’s National Council of Statistics and Surveys, which, pursuant to Article 7 of the Law of Statistics, is responsible for, *inter alia*, the supervision of INEC, or any successor to such council acceptable to the Bank.
4. “DDI” means the Data Documentation Initiative, an international standard for describing the data produced by surveys and other observational methods in the social, behavioral, economic, and health sciences, further information on which is available at <https://ddialliance.org>.
5. “ENCIET” means *Encuesta Conferencia Internacional de Estadísticos del Trabajo*, the International Conference of Labor Statisticians Survey.
6. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project dated May 16, 2022 (including any annexes or schedules to such plan), as may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Borrower shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
7. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.
8. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December

14, 2018 (Revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).

9. “Housing and Population Census” means, collectively, the 2022 VII Housing Census and VIII Population Census, a nationwide statistical operation that provides key information for the formation of public policies and allows for the updating of data concerning population magnitude, structure, and distribution, as well as housing volumes and characteristics, as referenced in Annex 3 (*Inventory of Statistical Operations*) of the National Program of Statistics 2021-2025 and further described in Executive Decree No. 425 issued on May 18, 2022, as published in the Official Register No. 83 on June 14, 2022.
10. “INEC” means *Instituto Nacional de Estadística y Censos*, the Borrower’s Institute of Statistics and Surveys, created by Decree No. 323 dated April 27, 1976, or any successor thereto acceptable to the Bank.
11. “Interagency Agreements” means, collectively, each of the agreements described in Section I.B.1 of Schedule 2 to this Agreement.
12. “Labor Management Procedures” means the procedures to be prepared, disclosed, consulted upon, and adopted for the Project, as set out in the ESCP, in accordance with the Environmental and Social Standards, as such procedures may be amended from time to time with the agreement of the Bank.
13. “Land and Agricultural Production Continuous Survey” means the Land and Agricultural Production Continuous Survey (*Encuesta de Superficie y Producción Agropecuaria Continua*) (ESPAC), a survey for the production of data on economic, environmental, and social dimensions of agricultural holdings, as referenced in Annex 3 (*Inventory of Statistical Operations*) of the National Program of Statistics 2021-2025 and in Resolution No. 004-2021 of CONEC.
14. “MIDENA” means *Ministerio de Defensa Nacional*, the Borrower’s Ministry of National Defense, or any successor thereto acceptable to the Bank.
15. “MIDENA Inter-Institutional Agreement” has the meaning provided in Section I.B.1.a of Schedule 2 to this Agreement.
16. “Ministry of Education” means *Ministerio de Educación*, the Borrower’s Ministry of Education, or any successor thereto acceptable to the Bank.
17. “Ministry of Labor” means *Ministerio del Trabajo*, the Borrower’s Ministry of Labor, or any successor thereto acceptable to the Bank.
18. “MINTEL” means *Ministerio de Telecomunicaciones y de la Sociedad de la Información*, the Borrower’s Ministry of Telecommunications and Information Society, or any successor thereto acceptable to the Bank.
19. “NADA” means an open source microdata cataloging system which serves as a portal for researchers to browse, search, compare, apply for access, and download relevant census or

survey datasets, questionnaires, reports and other information, further information on which is available at <https://nada.ihnsn.org>.

20. “National Household Income and Expenditure Survey” means the national household income and expenditure survey (*Encuesta Nacional de Ingresos y Gastos de los Hogares Urbanos y Rurales*) (ENIGHUR), which provides detailed information on the amount, distribution, and structure of income and expenditure of urban and rural households in Ecuador at three levels: (1) national urban and rural areas; (2) 24 provinces; and (3) ten self-represented cities (Ambato, Cuenca, Loja, Quito, Esmeraldas, Machala, Manta, Guayaquil, Santo Domingo de los Tsáchilas, and the Galapagos), as referenced in Annex 3 (*Inventory of Statistical Operations*) of the National Program of Statistics 2021-2025 and in Resolution No. 004-2021 of CONEC.
21. “Operational Manual” means the Borrower manual, acceptable to the Bank, which sets forth the detailed activities, processes and procedures for the carrying out of the Project, including but not limited to the terms of reference for the environmental and social evaluation to be carried out in accordance with Section III.B.1 of Schedule 2 to this Agreement, as said manual may be updated and/or amended from time to time with the agreement of the Bank.
22. “Operating Costs” means the reasonable costs of incremental recurrent expenditures (other than for consulting services and Training) related to Project implementation which would not have been incurred absent the Project, such as, *inter alia*, consumable items, utilities and supplies, office supplies, communications expenses, salaries of contractual and temporary staff, and accommodation, transport, and per diem for field workers, but excluding salaries, fees, honoraria, bonuses, and any other salary supplements of members of the Borrower’s civil service.
23. “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
24. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017, August 2018 and November 2020.
25. “PMU” means the project management unit referred to in Section I.A.2 of Schedule 2 to this Agreement, or any successor thereto acceptable to the Bank.
26. “Project Steering Committee” means the project steering committee described in Section I.B.3 of Schedule to this Agreement.
27. “RRAA” means administrative records (*Registros Administrativos*) of Ecuadorian public institutions.

28. "RREE" means statistics records (*Registros Estadísticos*) (RREE).
29. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to the date of the Loan Agreement in the General Conditions.
30. "Tablets" mean wireless, portable personal computers with touchscreen interfaces.
31. "Training" means expenditures (other than those for consulting services and Operating Costs) for training under the Project attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, payment of participation fees, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.