



PUBLIC  
SIMULTANEOUS DISCLOSURE

DOCUMENT OF THE INDEPENDENT CONSULTATION  
AND INVESTIGATION MECHANISM

**MICI-BID-EC-2018-0131  
ELIGIBILITY MEMORANDUM**

**PROGRAM FOR THE RECONSTRUCTION OF ELECTRICITY INFRASTRUCTURE IN  
AREAS AFFECTED BY THE EARTHQUAKE IN ECUADOR**

**(EC-L1219)  
(3906/OC-EC)**

This document was prepared by Victoria Márquez Mees, MICI Director, with support from Esteban Tovar, Registry Specialist.

In accordance with the Access to Information Policy, this document is being made publicly available simultaneously with its distribution to the Board of Executive Directors for information.

## INFORMATION NOTE

### **On the MICI Registration Process, Eligibility Determination Analysis, and Public Registry**

The Registration process begins when the Independent Consultation and Investigation Mechanism (MICI) receives a Request sent by Requesters, alleging that they have suffered or may suffer harm due to actions or omissions of the Inter-American Development Bank Group (IDB Group) that may constitute a failure to comply with one or more of its Relevant Operational Policies within the context of a Bank-financed operation.

In the Registration Phase, which lasts five business days, the MICI verifies that the Request contains all information required for processing and that it is not clearly linked with any of the exclusions that limit the MICI's actions. Following the registration of a Request, Management has the opportunity to provide its perspective with respect to the allegations submitted by the Requesters, which must be sent to the MICI within 21 business days after registration in the form of a document known as "Management Response."

Once it receives the Response, the MICI starts the eligibility determination process, which involves reviewing the Request against the eligibility criteria established in its Policy to determine whether or not the Request is eligible and whether it can be accepted for processing. This eligibility determination is neither an assessment of the merits of the Request or the issues raised, nor a determination of the IDB Group's compliance or noncompliance with its Relevant Operational Policies.

If the Request is declared eligible, the process will begin for the phase selected by the Requesters; otherwise, the process will be deemed concluded.

All Requests received by the MICI and their processing will be recorded in its virtual [Public Registry](#). Case files will disclose all public information generated in processing a case.

The MICI does not award compensation, damages, or similar benefits. It is not empowered to halt disbursements or suspend operations.

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LINKS
<ol style="list-style-type: none"><li>1. Public Registry file for Request MICI-BID-EC-2018-0131 <a href="https://idblegacy.iadb.org/en/mici/complaint-detail-drupal,21185.html?ID=MICI-BID-EC-2018-0131">https://idblegacy.iadb.org/en/mici/complaint-detail-drupal,21185.html?ID=MICI-BID-EC-2018-0131</a></li><li>2. Original Request MICI-BID-EC-2018-0131 (confidential) <a href="https://idbg.sharepoint.com/teams/ez-MICI/cases/MICIBIDEC20180131/Original%20Request%20and%20Supporting%20Documents/MICI-BID-EC-2018-0131%20Solicitud%20Original.pdf">https://idbg.sharepoint.com/teams/ez-MICI/cases/MICIBIDEC20180131/Original%20Request%20and%20Supporting%20Documents/MICI-BID-EC-2018-0131%20Solicitud%20Original.pdf</a></li><li>3. Management's Response to Request MICI-BID-EC-2018-0131 regarding the Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador (EC-L1219) and annexes <a href="http://www.iadb.org/document.cfm?id=EZSHARE-394129275-94">http://www.iadb.org/document.cfm?id=EZSHARE-394129275-94</a> <a href="http://www.iadb.org/document.cfm?id=EZSHARE-394129275-93">http://www.iadb.org/document.cfm?id=EZSHARE-394129275-93</a></li><li>4. Management's Report on the Implementation of the Corrective Action Plan for Request MICI-BID-EC-2018-0131 regarding the Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador (EC-L1219) <a href="https://idbg.sharepoint.com/teams/ez-MICI/cases/MICIBIDEC20180131/Intake/MICI-BID-EC-2018-0131%20Informe%20sobre%20implementaci%C3%B3n%20de%20plan%20de%20acci%C3%B3n%20correctivo.pdf">https://idbg.sharepoint.com/teams/ez-MICI/cases/MICIBIDEC20180131/Intake/MICI-BID-EC-2018-0131%20Informe%20sobre%20implementaci%C3%B3n%20de%20plan%20de%20acci%C3%B3n%20correctivo.pdf</a></li><li>5. Loan proposal – Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador (EC-L1219) <a href="https://www.iadb.org/Document.cfm?id=40804923">https://www.iadb.org/Document.cfm?id=40804923</a></li><li>6. Environmental and social management report (ESMR) for the Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador (EC-L1219) <a href="https://www.iadb.org/Document.cfm?id=40701398">https://www.iadb.org/Document.cfm?id=40701398</a></li><li>7. Terms of reference for the environmental impact study for segments 1-4 of the Santo Domingo city subtransmission line and the San Vicente–Jama subtransmission line <a href="https://www.iadb.org/Document.cfm?id=EZSHARE-562134839-10903">https://www.iadb.org/Document.cfm?id=EZSHARE-562134839-10903</a></li><li>8. Environmental impact study for the San Vicente–Jama subtransmission line <a href="https://www.iadb.org/Document.cfm?id=EZSHARE-562134839-10904">https://www.iadb.org/Document.cfm?id=EZSHARE-562134839-10904</a></li></ol>

## EXECUTIVE SUMMARY

The “Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador” (loan EC-L1219) (“the Program”) is financed by the Inter-American Development Bank (IDB or “the Bank”) through a sovereign guaranteed multiple-works investment loan operation in the amount of US\$60 million with a local counterpart of US\$9.234 million. The borrower is the Republic of Ecuador, and the executing agency is the Ministry of Electricity and Renewable Energy (MEER). The operation was approved by the Bank’s Board of Executive Directors on 25 January 2017 and is now in the implementation stage.

The program objective is to improve electricity service by rebuilding electricity infrastructure in the Ecuadorian provinces of Esmeraldas, Manabí, and Santo Domingo, which were affected by the 16 April 2016 earthquake. Specifically, it seeks to reestablish electricity supply in the subtransmission systems of electricity distribution companies affected by the earthquake and generate distribution projects. The Request before the Independent Consultation and Investigation Mechanism (MICI) concerns a subproject under program Component I, consisting of the relocation of 9 km of subtransmission lines between the communities of San Vicente and Jama in the province of Manabí.

On 20 April 2018, the MICI received a Request regarding that subproject from a concerned party representing 547 residents of eight communities (Briceño Alto, Briceño Bajo, La Fortuna, Nuevo Briceño, Comunidad Extranjera, El Recreo, Urbanización de Canoa, and Canoa) in the province of Manabí, Ecuador, asking that their identities remain confidential due to fear of reprisals.

In the Request, they allege noncompliance with the Bank’s Operational Policies, because no environmental impact study or analysis of alternatives was done prior to the start of construction, nor was any risk assessment made in a highly earthquake-prone area. The Requesters also describe potential negative health impacts due to radiation, since they claim that sufficient setback distances are not being used for limiting exposure to electrical and magnetic fields. The Requesters also note that the selected path of the lines could result in a significant decline in tourism activities in the area, which is the source of their livelihood, and could also have environmental impacts affecting migratory birds.

In its Response on 30 May, Management asked the MICI to suspend the eligibility process so that it could implement, in coordination with the executing agency, a corrective action plan with activities including the environmental impact assessment—entailing the analysis of alternatives for the path of the lines—and a disaster risk assessment, so that a robust public consultation process could take place, once those were ready. Line construction would halt during the term of suspension.

When the term of suspension granted by the MICI ended on 28 September, Management informed the MICI that the environmental impact analysis had been completed, but the following were still outstanding: (i) the disaster risk assessment report; (ii) public dissemination of the documents that had been produced; and (iii) the corresponding public hearing.

At the same time, the Requesters informed the MICI that, although the project had not moved forward, they had not been contacted, nor had they received the environmental impact or disaster risk assessments. As such, in their view, the allegations that had led them to submit the Request to the MICI were still relevant.

After reviewing the relevant documentation and taking into consideration the information received following the suspension, the MICI Director, in accordance with Section G of the IDB-MICI Policy (document [MI-47-6](#)), has concluded that this Request is **eligible**, as it meets all the eligibility criteria of the Policy.

The Requesters and IDB Management are being notified of this determination by means of this Eligibility Memorandum on 17 October 2018. Once the Eligibility Memorandum has been distributed to the Board of Executive Directors, the case will be transferred to the Consultation Phase to begin processing, as the Requesters opted for both phases of the MICI process.

**Note.** This eligibility determination is not an assessment of the merits of the Request or the issues raised therein, nor is it a determination of compliance or noncompliance by the IDB with its Relevant Operational Policies. Triggering the MICI process does not, under any circumstances, result in the suspension of the Project or disbursements under the operation.

## I. THE PROJECT<sup>1</sup>

### A. Geographic and social context

- 1.1 Ecuador is located in a highly earthquake-prone area. On 16 April 2016, Ecuador was struck by an earthquake measuring 7.8 on the Richter scale, the strongest recorded in the country since 1979. Its epicenter was in the canton of Pedernales in the province of Manabí. The earthquake affected several cities and communities, primarily in Manabí, where 646 of the 661 recorded fatalities occurred, in addition to those injured or displaced. In addition to the human toll, the earthquake damaged infrastructure, which has negatively impacted electricity, drinking water, health, education, and other services.<sup>2</sup>
- 1.2 The province of Manabí is located on the central northwestern coast of Ecuador. With a population of 1,395,249, it is the third most populous province in Ecuador, divided politically into 22 cantons. Its main economic activities are trade, livestock-raising, industry, and fishing, as Ecuador's second-largest port and largest tuna canneries are located in the province. Tourism is also a growing sector, mainly due to Manabí's extensive beaches.



Map of Ecuador, Province of Manabí

Source: Province of Manabí, Ecuador, Government of Manabí.

### B. Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador (loan EC-L1219)

- 1.3 The Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador is financed by the IDB through a sovereign guaranteed

<sup>1</sup> Information taken from the Bank's website and public documents on the operation. These documents are available in the links section of this Eligibility Memorandum.

<sup>2</sup> Risk Management, Government of Ecuador, <https://www.gestionderiesgos.gob.ec/wp-content/uploads/downloads/2016/05/Informe-de-situación-n°65-especial-16-05-20161.pdf>.

multiple-works investment loan operation<sup>3</sup> in the amount of US\$60 million with a local counterpart of US\$9.234 million. The borrower is the Republic of Ecuador, and the executing agency is the Ministry of Electricity and Renewable Energy (MEER). The operation was approved by the Bank's Board of Executive Directors on 25 January 2017 and is now in the implementation stage.

- 1.4 The program objective is to improve electricity service by rebuilding electricity infrastructure in the Ecuadorian provinces of Esmeraldas, Manabí, and Santo Domingo, which were affected by the 16 April 2016 earthquake. Specifically, it seeks to reestablish electricity supply in the subtransmission systems of electricity distribution companies affected by the earthquake and generate distribution projects. The program has two components, as described below:
- 1.5 **Component I. Comprehensive reconstruction plan for the electrical power subtransmission system (US\$47.1 million).** This component finances the relocation and/or reconstruction of 27 subtransmission projects with improved earthquake-resistant features, which include: 12 projects in the province of Manabí, with 107 km of subtransmission lines and 8 substations.
- 1.6 **Component II. Comprehensive reconstruction plan for the electrical power distribution system (US\$20.91 million).** This component supports the reconstruction of electrical power distribution infrastructure with improved earthquake-resistant features, facilitating electrical power supply through to the end user. It involves the reconstruction of 26 distribution system projects in affected population centers and outlying areas, including: 6 projects in the province of Esmeraldas, 9 projects in the province of Manabí, and 11 projects in the province of Santo Domingo.
- 1.7 The Request before the Independent Consultation and Investigation Mechanism (MICI) concerns a subproject under program Component I, consisting of the relocation of 9 km of subtransmission lines between the communities of San Vicente and Jama.
- 1.8 The operation was classified as Category "B" under the Environment and Safeguards Compliance Policy (Operational Policy OP-703) and based on the environmental and social analysis of the sample of projects under the Program, because the social and environmental impacts were expected to be localized, temporary, and short-term in nature, and negative impacts would occur mainly during reconstruction of the subtransmission lines and substations. No exceptions to Bank policies apply.
- 1.9 According to information from Bank systems, 51.27% of the loan proceeds had been disbursed as of September 2018.

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<sup>3</sup> Loans for multiple-works programs are investment loans that are designed to finance groups of similar works (a sample of which are fully defined). For this type of operation, only a representative sample of specific works (amounting to approximately 30%, by value, of the total cost of the program) must be fully designed before loan approval by the Board. The other works comprising the program should be similar to those in the sample. Each individual work should be defined, and approved by the Country Office, prior to authorization of its execution and commitment of funds. Source: Operations Processing Manual, Section PR-202, "Multiple-works programs."



## II. THE REQUEST<sup>4</sup>

- 2.1 On 20 April 2018, the MICI received a Request regarding this Program from 547 residents of eight communities (Briceño Alto, Briceño Bajo, La Fortuna, Nuevo Briceño, Comunidad Extranjera, El Recreo, Urbanización de Canoa, and Canoa) in the province of Manabí, Ecuador, filed through a representative, all of whom asked that their identities remain confidential due to fear of reprisals. The Request was registered as [MICI-BID-EC-2018-0131](#) on 27 April upon satisfying the procedural requirements.
- 2.2 The Request refers to the subproject **BID-PRIZA-CNEL-STD-ST-FI-004 Reconstruction and Relocation of 9 km of the San Vicente–Jama Subtransmission Lines** (San Vicente–Jama STLs). The Request alleges that the path of the relocated subtransmission lines had been determined without sufficient analysis of alternatives or an environmental and social impact study. Additionally, agreements reached with the communities opposing the relocation were not honored, and execution of the project continued following the original route. Specifically, the Requesters allege noncompliance due to the absence of an environmental impact assessment and analysis of alternatives, and a risk assessment in a highly earthquake-prone area.
- 2.3 Regarding the alleged Harm, the Requesters state that their health could be affected by radiation exposure because the selected path runs lines almost directly above their village, and sufficient setback distances are not being used for limiting exposure to electrical and magnetic fields.
- 2.4 The Requesters also note that the selected path could result in a significant decline in tourism activities in the area, which is the source of their livelihood, because of the proximity of the lines to roads heavily trafficked by both tourists and locals.
- 2.5 Additionally, the Request explains that San Vicente–Jama is a highly seismic region, and the selected path of the lines positions towers dangerously close to a mountain where landslides regularly occur. As a result, the Requesters state, these structures could collapse when landslides occur, causing traffic accidents, damaging private property, and blocking routes that the local population has identified as emergency evacuation routes.
- 2.6 The Requesters also warn that the relocation of the San Vicente–Jama STLs could also have environmental impacts affecting migratory birds.
- 2.7 The Requesters believe that restoring the San Vicente–Jama STLs in the location where they had been located for over 20 years while also upgrading the towers and the transmission lines would reduce adverse impacts, since that location is higher in the mountains in an unpopulated area and would not create new environmental effects.
- 2.8 Regarding previous communication with Management, the Requesters report that they have filed complaints since 2017, which resulted in a meeting and tour of the area affected by the San Vicente–Jama STLs in September 2017. The affected parties, local authorities, and the executing agency participated in these activities with the objective of analyzing a possible alternative route. The executing agency

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<sup>4</sup> A summary of the Request is available in the case's Public Registry file (see the links section of this document).

promised to conduct an analysis and a technical/cost assessment. Once completed, that analysis was to be shared with the community through the Autonomous Decentralized Government of San Vicente, which took place on 7 December 2017. The Requesters claim that they expressed their preference for one of the alternatives, but their preference was ignored.

- 2.9 They also state that they traveled to Quito on 26 March 2018 to present their complaint in person at the IDB offices, but they only submitted the documentation because no one met with them. As of the date the Request was submitted to the MICI, they had not received any response.
- 2.10 Lastly, the Requesters expressed their interest in the MICI processing the Request through both the Consultation Phase and the Compliance Review Phase, if deemed eligible.

### **III. MANAGEMENT RESPONSE<sup>5</sup>**

- 3.1 On 27 April 2018, IDB Management was notified of the registration of Request MICI-BID-EC-2018-0131, and submitted its Response on 30 May within the time frame specified in IDB-MICI Policy. The Response provided its perspective on the aforementioned issues concerning the Program that were presented in the Request. The Management Response is summarized briefly below and can also be consulted in the links section of this Eligibility Memorandum.
- 3.2 Management acknowledges that it is aware of the situation described by the Requesters, and that it received a letter from the Requesters on 26 March 2018 asking it to step in and make changes to the route of the San Vicente–Jama STLs. Management forwarded this letter to the executing agency for its attention.
- 3.3 Management reports in its Response that, upon receiving notification of registration from the MICI, it conducted a mission to the program site and met with the Requesters on 10 and 11 May 2018. As an outcome of the meeting, it agreed to send them the available official technical, environmental, social, and disaster risk documentation on the San Vicente–Jama STLs. If that information did not exist, the IDB would ask the executing agency to prepare and publicly disseminate it.
- 3.4 Management also states that it met with the executing agency and representatives of San Vicente City Hall, coming to an agreement that the works would be suspended until an environmental and social assessment—including an analysis of alternatives for the line route—and a disaster risk assessment had been prepared, and a robust consultation process had been completed.
- 3.5 In order to do so, Management asked MICI to temporarily suspend the eligibility determination processes, pursuant to section G, paragraph 23(c), of the MICI Policy so that the aforementioned actions could be implemented as part of an action plan.<sup>6</sup>

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<sup>5</sup> IDB Management's Response to Request MICI-BID-EC-2018-0131 regarding the Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador (EC-L1219) and its annexes are available in the links section.

<sup>6</sup> The proposed action plan is available as one of the annexes to the Management Response, which is available in the links section.

## IV. MICI ACTIONS

- 4.1 The timeline below summarizes the actions taken by MICI from the date that the Request was received until this Memorandum was issued. Paragraphs 4.2 through 4.8 provide detailed information about the temporary suspension of the MICI process and the outcomes of that suspension.

**Table 1**  
**Timeline of MICI actions**

Date	Actions
20 April	Receipt of Request and phone call with the Representative of the Requesters regarding the MICI process.
27 April	Notification of Registration of Request sent to Requesters and IDB Management.
10 May	Meeting with Project Team.
21 May	Phone call with the Representative of the Requesters.
25 May	Meeting with Project Team.
30 May	Receipt of IDB Management's Response, which included a request for a temporary suspension of the eligibility determination process (see paragraph 3.5).
4 June	Notification to the parties of the temporary suspension of the eligibility determination process for a period of 45 business days so that Management could implement corrective actions (see paragraphs 4.2 and 4.3).
14 June	Meeting with the Chair for Ecuador.
26 July	Discussion with Management regarding the progress made on the corrective action plan and a request for an extension of the deadline for completing the tasks in the corrective action plan. (see paragraph 4.5).
26 July	Phone call with the Representative of the Requesters.
2 August	End of the temporary suspension of the eligibility determination process.
7 August	No objection to extending the deadline for the eligibility determination obtained from the Board of Executive Directors (see paragraph 4.6).
4 September to 16 October	Document review and desk work.
10 September	Meeting with Project Team.
28 September	Receipt of Management's Report on the Implementation of the Corrective Action Plan for Request MICI-BID-EC-2018-0131 (see paragraph 4.7).
11 October	Phone call with the Requesters.
17 October	Issuance of Eligibility Memorandum.

### Temporary Suspension of the MICI Process

- 4.2 Pursuant to paragraph 23(c) of the MICI Policy (document [MI-47-6](#)), in response to Management's request for a temporary suspension of the MICI process in order to implement corrective actions under the action plan presented, the MICI Director granted a term of suspension of up to 45 business days.
- 4.3 The corrective action plan called for 17 tasks to be completed during the suspension period (30 May to 2 August 2018), including the environmental impact study, the risk analysis study, and the public consultation process.

- 4.4 During the term of suspension, the MICI informed the Requesters and Management that it would step back and allow Management to take corrective action; at the end of the suspension period, it would contact both parties to learn about the outcomes of the implementation of the corrective action plan and, specifically, whether those corrective actions had addressed the concerns raised in the Request.
- 4.5 On 26 July 2018, Management contacted the MICI to report that, although it had completed several tasks from the corrective action plan, more time was needed to finalize the environmental and risk assessments and conduct the public hearing.
- 4.6 After consulting the Requesters for their opinion on a potential extension of the suspension, the MICI asked the Board of Executive Directors for its no objection to the extension, so that the corrective action plan could be implemented as fully as possible. Upon receiving the no objection, the MICI informed the Parties that the Request's eligibility determination period would be extended until 17 October 2018.
- 4.7 On 28 September, the MICI received Management's Report on the Implementation of the Corrective Action Plan for Request MICI-BID-EC-2018-0131.<sup>7</sup> The report stated that the environmental impact analysis<sup>8</sup> had been completed, but the following tasks were still outstanding: (i) the disaster risk assessment report; (ii) public dissemination of the documents that had been produced (the San Vicente–Jama STL environmental and social impact studies, analysis of alternatives, and disaster risk assessment) and (iii) the corresponding public hearing.
- 4.8 When the Requesters were contacted, they stated that they had not yet been contacted by Management regarding the status of the tasks in the corrective action plan, nor had they received documentation related to the San Vicente–Jama STL environmental and social impact studies, analysis of alternatives, or disaster risk assessment. They had only received the terms of reference for preparing these documents. Accordingly, the Requesters confirmed to MICI that they still had concerns.

## **V. ELIGIBILITY DETERMINATION ANALYSIS**

- 5.1 As part of the eligibility determination process, the MICI considered the information presented by the Requesters, Management's Response, the reports on the implementation of the action plan, and various Bank documents on the project related to the Request.<sup>9</sup>
- 5.2 Pursuant to paragraph 22 of the Policy, a Request will be deemed eligible by the MICI if it is determined that it meets all the following criteria:
  - a. The Request is filed by two or more persons who believe that they have been or may be affected and who reside in the country where the Bank-Financed Operation is implemented. If the Request is filed by a representative, the identity of the Requesters on whose behalf the Request is filed will be indicated and written proof of representation will be attached.
  - b. The Request clearly identifies a Bank-Financed Operation that has been approved by the Board, the President, or the Donors Committee.

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<sup>7</sup> The Report is available in the links section of this document.

<sup>8</sup> The environmental and social impact assessment is available in the links section of this document.

<sup>9</sup> The documents reviewed are available in the links section of this document.

- c. The Request describes the Harm that could result from potential noncompliance with one or more Relevant Operational Policies.
  - d. The Request describes the efforts that the Requesters have made to address the issues in the Request with Management and includes a description of the results of those efforts, or an explanation of why contacting Management was not possible.
  - e. None of the exclusions set forth in paragraph 19 of this Policy apply.
- 5.3 In the case of Request **MICI-BID-EC-2018-0131**, the analysis of eligibility criteria established in the Policy consisted of the following:
- 5.4 The Request is filed by 547 residents from eight communities in the province of Manabí, Ecuador, through a duly accredited representative. The MICI has lists that include the Requesters' national identification documents and written proof of representation authority, but this information is not public because they have requested that their identities remain confidential out of fear of reprisals. Consequently, **criterion 22(a) has been met.**
- 5.5 The Request identifies the "Program for the Reconstruction of Electricity Infrastructure in Areas Affected by the Earthquake in Ecuador" (loan EC-L1219), which was approved by the IDB Board of Executive Directors on 25 January 2017. The subproject that prompted this complaint is part of that program. Consequently, **criterion 22(b) has been met.**
- 5.6 The Request **alleges harm** that could result from potential noncompliance with Operational Policies OP-703, OP-704, and OP-102. Consequently, **criterion 22(c) has been met.**
- 5.7 Regarding prior contact with Management, the Request cites a letter describing the situation regarding the Program that was sent to the IDB Group Country Office in Quito, Ecuador, in March 2018. The Requesters indicate that they received no response to this letter other than proof of its receipt. Management confirms this in its Response. Consequently, **the MICI finds that criterion 22(d) has been met.**
- 5.8 Regarding the exclusions established in paragraph 19, **the MICI finds that the exclusions established in paragraphs 19(a), 19(b), 19(c), 19(d), 19(e), and 19(f) do not apply**, as the Request does not raise issues outside of the MICI's scope of work; it is not anonymous or without substance; none of the issues raised in the Request have previously been reviewed by the MICI; no issues or matters raised in the Request are known to be under arbitral or judicial review in an IDB member country; the associated operation was approved in January 2017; and the operation is still in the disbursement process.

## VI. CONCLUSION

- 6.1 The MICI Director, in accordance with Section G of the MICI Policy (document [MI-47-6](#)), has concluded that this Request is **eligible**, as it meets all the eligibility criteria of the Policy. Following notification to the Board of Executive Directors, the MICI Director will transfer the case to the Consultation Phase, as the Requesters have expressed interest in processing the Request through both the Consultation Phase and the Compliance Review Phase.

- 6.2 This Memorandum is being sent to the Requesters and Management on 17 October 2018. It will also be distributed to the IDB Board of Executive Directors and to interested third parties through the [MICI-IDB Public Registry](#), once its English version is available.
- 6.3 **Note. This eligibility determination is not an assessment of the merits of the Request or the issues raised therein, nor is it a determination of compliance or noncompliance by the Bank with its Relevant Operational Policies. Triggering the MICI process does not, under any circumstances, result in the suspension of the Project or disbursements under the operation.**