

Community-Based Economic and Social Development Program

ECUADOR

SECTOR: Social

PROJECT NAME: Community-Based Economic and Social Development Program
(ATN/TF-4665-EC)

TOTAL COST: \$3.5 million

FINANCING:

IDB \$2.5 million
LOCAL \$1.0 million

DATE OF APPROVAL: October 12, 1994

GENERAL DESCRIPTION: The objective of this technical cooperation is to improve the quality of life of low-income groups in Ecuador. Its specific objectives are to:

- (a) provide financial and technical services to the income-producing activities of disadvantaged groups;
- (b) assist in the creation or expansion of small-scale enterprises that benefit those groups; and
- (c) strengthen the institutional capacity of participating intermediary NGOs, popular organizations and the executing agency, the Esquel Foundation.

The Bank will support Esquel in establishing a fund to finance its Community-Based Economic and Social Development Program. Expansion of financial and technical assistance services to low-income groups

will be supported through: (a) a credit subprogram, to be executed via an established financial intermediary; (b) an enterprise investment subprogram, in which Esquel will participate with seed capital along with other investors; and (c) technical assistance to strengthen popular organizations, NGOs and the enterprises involved in the seed capital subprogram.

Program funds will also be used to strengthen the executing agency through the financing of technical advisory services to assist in the start-up of the seed capital sub-program and the development of environmental guidelines, as well as for the monitoring and evaluation of the program.

CONSULTANTS: Esquel will apply up to \$200,000 of the Bank's resources to contract consulting services to: (a) assist in the start-up of the seed capital investment component during the first quarter of program execution; (b) develop the necessary environmental monitoring systems for the program; (c) carry out the ongoing program evaluations; and (d) do the ex-post evaluation.

CIVIL WORKS: Not applicable.

EQUIPMENT: Not applicable.

EXECUTING AGENCY: Esquel Foundation

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