

IBRAHIM JAMES PAM
Chairperson
The Inspection Panel

IPN REQUEST 26/03

March 27, 2026

**MEMORANDUM TO THE EXECUTIVE DIRECTORS AND ALTERNATES
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

The Inspection Panel

Notice of Non-Registration on a Request for Inspection

Ecuador: Emergency Resilient Reconstruction Project (P181079)

Summary

1. In accordance with paragraph 18 of the Resolution of the World Bank Board of Executive Directors (the “Board”), the World Bank Accountability Mechanism: Inspection Panel and Dispute Resolution Service (the “Resolution”),¹ I hereby inform you that on February 10, 2026, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) related to the Ecuador: Emergency Resilient Reconstruction Project (P181079) (the “Project”). The Request was submitted by the “*representatives of the organized community*” in Chimborazo, Ecuador, with 115 signatories. The Request asks for confidentiality for the representatives and signatories “*due to concerns of potential retaliation.*” A redacted copy of the Request for Inspection is attached as Annex I.

2. The Request states the Project would reroute the E35 highway “*away from the city,*” which would effectively isolate the historic Andean city of Alausí from the main national transportation corridor, resulting in severe, irreversible, and cumulative economic, social, environmental, and safety impacts on the local population. The Request raises serious concerns regarding economic isolation, geotechnical risks, and community safety, as well as inadequate consultation with affected communities and insufficient assessment of environmental and social risks which could potentially threaten livelihoods. The Request asks that the World Bank Inspection Panel conduct a formal investigation into this Project and assess its compliance with the World Bank’s environmental and social safeguard policies and procedures.

3. After conducting its initial due diligence, the Panel concluded that the Request does not meet one of the admissibility criteria for Registration. The Panel is not satisfied that Management

¹ The [World Bank Accountability Mechanism: Inspection Panel and Dispute Resolution Service](#) March 7, 2025.

has been made aware of the issues raised in the Request prior to its submission to the Panel. I am therefore notifying you that the Panel is not registering this Request.

The Project

4. The Board approved the Project on May 26, 2023, with a total cost of USD 150 million financed through the International Bank for Reconstruction and Development.² The implementing agency is the Ministry of Transport and Public Works – *Ministerio de Transporte y Obras Públicas* (MTO). The current closing date of the Project is June 30, 2028.

5. The Project Development Objective is to restore connectivity and improve infrastructure resilience and road safety in areas affected by natural hazards.³ The Project has two components. The first covers infrastructure recovery and resilience interventions and the second, project management and institutional strengthening for resilience. At the time of Project approval, all Environmental and Social Standards of the World Bank’s Environmental and Social Framework were considered relevant except for ESS9 on Financial Intermediaries.⁴

The Request

6. The Request alleges the Bank-financed intervention related to the E35 national highway crossing the Chimborazo Province, Ecuador, is expected to generate severe, irreversible, and cumulative economic, social, environmental, and safety impacts on the local population of the historic Andean city of Alausí. The Request explains that the city’s economy depends primarily on tourism, commerce, transportation, and local services directly connected to the E35 highway. It adds that the rerouting of E35 would effectively isolate Alausí from the main national transportation corridor, and would, thereby, drastically reduce the flow of visitors, trade, and economic activity, directly affecting hundreds of local families, small businesses, transport operators, and tourism-related services.

7. The Request states that the community is still recovering from a catastrophic landslide that damaged sections of the E35, caused loss of life and displaced families, and precipitated a severe economic decline. It also states that further isolation could exacerbate the vulnerability of the population. The Request states that the alternative route proposed would cross “Gampala,” which is in a mountainous area that is geologically unstable. It also states that construction activities, such as excavation, the use of heavy machinery, and vibrations, could further increase the risk of landslides, threatening residents, homes, and infrastructure.

8. Furthermore, the Request claims consultation and stakeholder engagement processes conducted by national authorities and the MTO have not adequately included the directly affected population. It adds that public meetings have been limited and selective, excluding many residents, business owners, and community members who will bear the impact of the Project. According to the Request, this raises serious concerns regarding the World Bank’s compliance with its Environmental and Social Framework.

² Project Appraisal Document (PAD), p 2.

³ PAD, p. 2

⁴ PAD, p. 5

Panel's Observation and Determination

9. In accordance with the Panel's Operating Procedures,⁵ and following its review of information gathered through its due diligence, the Panel confirms that the Request does not meet one of the admissibility criteria for Registration. The Panel determines that the Request is not frivolous, absurd, or anonymous. The Panel also confirms that the Request was submitted by representatives of 115 signatories located in Ecuador, who claim to be affected by the Project. The Panel further notes that, since the Project was approved after September 8, 2020, the deadline for submitting a Request for Inspection is fifteen months after the Project closure date of June 30, 2028. The Panel adds that the subject matter of the Request does not concern issues of procurement and the Panel has not previously made a recommendation on these issues. During its meeting with the Panel, the Requesters confirmed that they had not yet contacted Bank Management.

10. Based on the foregoing, the Panel considers that Management was not made aware of the issues raised in the Request prior to its submission, as set out in paragraph 14 of the Resolution and paragraph 14(d) of the Operating Procedures. I therefore notify you that the Panel is not registering this Request.

11. This non-registration does not preclude the possibility of a future Request for Inspection related to this Project.

Yours sincerely,



Ibrahim Pam
Chairperson

Attachments

The Executive Directors and Alternates
International Bank for Reconstruction and Development

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

Requesters (Confidential)

⁵ [Inspection Panel Operating Procedures](#) (November 2025).

ANNEX I

REQUEST FOR INSPECTION (REDACTED)

DETAILED COMPLAINT

Organized [REDACTED] Ecuador

115 Signatories

Request for Full Investigation and Possible World Bank Technical Mission

Harm caused or likely to be caused to the community

The World Bank-financed intervention related to the E35 national highway in Alausí, Chimborazo Province, Ecuador, is expected to generate severe, irreversible, and cumulative economic, social, environmental, and safety impacts on the local population.

Alausí is a historic Andean city whose economy depends primarily on tourism, commerce, transportation, and local services directly connected to the E35 highway, which currently crosses the urban center. The proposed project would reroute the E35 away from the city, effectively isolating Alausí from the main national transportation corridor. This would drastically reduce the flow of visitors, trade, and economic activity, directly affecting hundreds of local families, small businesses, transport operators, and tourism-related services.

The community of Alausí is still recovering from a catastrophic landslide that destroyed sections of the E35 highway, caused significant loss of life, displacement of families, and severe economic decline. Any additional isolation resulting from the rerouting of the highway would further exacerbate the existing social and economic vulnerability of the population.

The alternative route proposed by national authorities would cross a mountain known locally as "Gampala," located directly above the city of Alausí. Independent professionals and local technical assessments have identified this mountain as geologically unstable and at risk of landslides. Construction activities such as excavation, heavy machinery operation, and vibration could destabilize the slope and potentially trigger a major landslide that could threaten the lives, homes, and infrastructure of residents living on the lower slopes and in the urban center of Alausí.

Furthermore, consultation and stakeholder engagement processes conducted by national authorities and the Ministry of Transportation and Public Works have not adequately included the directly affected population. Public meetings have been limited and selective, excluding many residents, business owners, and community members who will bear the impacts of the project. This raises serious concerns regarding compliance with the World Bank's Environmental and Social Framework.

For these reasons, we respectfully request that the World Bank Inspection Panel conduct a formal investigation into this project and assess compliance with the World Bank's environmental and social safeguard policies and procedures, including the possibility of a technical mission to Ecuador.

Digital Signature

[REDACTED]

Representative of the [REDACTED], Ecuador

(On behalf of 115 signatories)

Complaint (Request for Inspection) Form

To:
The Chair, Inspection Panel
The World Bank Accountability Mechanism, MSN: MC 10-1007, 1818 H St., NW, Washington, DC
20433, USA. Fax: +1(202)-522-0916. Email: ipanel@worldbank.org

(Please answer the questions below as best as you can. Once the form is submitted, we will contact you to collect any additional necessary information.)

Section 1: Complaint

1. What harm do you believe the World Bank-financed project caused or is likely to cause to you or your community? Please describe in as much detail as possible.

Please see attached document titled:
"Detailed complaint - [REDACTED] (115 signatories) and request for full investigation and possible World Bank technical mission."

2. What is the name of the World Bank project? (If known)

E35 Road project affecting the city of Alausi (exact project name unknown)

3. Where is the World Bank project located? (Please include country name)

Alausi, Chimborazo, Ecuador

4. Do you live in the project area?

Yes [REDACTED] and represent 115 community members who also live in the affected area.

5. Have your concerns previously been reported to the World Bank? If yes, please provide the details about those communications and explain why you are not satisfied with the Bank's response.

No. This is the first formal complaint submitted to the World Bank regarding this project. However, concerns have been raised with local authorities, and the affected community has not received a satisfactory response.

6. If known, please list the World Bank's operational policies/procedures you believe have not been followed.

Lack of adequate consultation with affected communities and insufficient environmental and social risk assessment, creating potential risks to livelihoods and community safety.

7. Do you expect any form of retaliation or threats for filing this complaint?

Yes. We request confidentiality due to concerns about possible retaliation for submitting this complaint.

8. In addition to receiving information about the Compliance investigation process, would you also like to receive information about the option of dispute resolution?

Yes. We would like to receive information about all available options including dispute resolution and compliance investigation.

Section 2: Contact Information

9. Are you complainants or a representative of complainants*?

Complainants: Representing a complainant or community: Other: (Please explain)

10. Would you like your name and contact details to be kept confidential? (We will not disclose your identities to anyone without your prior consent.) Yes No

11. Complainants' or representatives' names (minimum two names and signatures are required):

	Complainant /Representative 1	Complainant /Representative 2
Name	[REDACTED]	[REDACTED]
Address	[REDACTED]	[REDACTED]
Phone	[REDACTED]	[REDACTED]
Email	[REDACTED]	[REDACTED]

12. By completing and submitting this form, we authorize the Inspection Panel to investigate the issues as described in this form.

Signature 1	Signature 2
[REDACTED]	[REDACTED]

Signatures (more signatures can be sent as an attachment):

NOTES:

- **If you are a representative of complainants, we will need a letter from the complainants authorizing you to represent them.*
- *Please attach supporting documents, if available.*
- *If you have any difficulty in completing the form, please contact the World Bank Accountability Mechanism at Email: ipanel@worldbank.org or by phone: +1-202-458-5200.*